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MINISTRY OF INTERNATIONAL TRADE

PUBLIC NOTICE

IMPORT TRADE CONTROL

New Delhi, the 31st March 1964

SUBJECT:—*Import Trade Control—Rules and Procedure.*

No. 26-ITC(PN)/64.—The Rules and Procedure relating to Import Trade Control as revised are contained in this Public Notice. The instructions contained in this Public Notice will be applied subject to the provisions contained in Section 1 of the Import Trade Control Policy Book for the year April, 1964—March, 1965.

CHAPTER I

INTRODUCTION

1. Import Trade Control was first introduced in India in May, 1940, as a war-time measure, under the Defence of India Rules, primarily with the object of conserving shipping space. To begin with, the Control was limited only to a few commodities, but, in course of time, it became necessary to extend its scope in the interest of economic development of the country.
2. With the cessation of hostilities and the lapse of Defence of India Rules in September 1946, import control was kept alive by Emergency Provisions (Continuance) Ordinance, 1946 for a period of one year. This was replaced by the Imports and Exports (Control) Act 1947 which came into force on the 25th day of March 1947. The Act was initially valid for a period of three years. Thereafter, it was extended by two successive terms of five years each, upto 31st March 1960. In 1960, it was extended further by six years, and its present validity is upto 31st March 1966 concurrent with the period of the third Five-Year Plan. Under this Act, the Central Government issued several auxiliary Notifications which were replaced by a consolidated Order called the "Imports (Control) Order" No. 17/55 dated 7th December 1955. This order, as amended from time to time, continues to be in force. The Imports and Exports

(Control) Act 1947 and the Imports (Control) Order 1955, as amended, are reproduced in Appendices (1) and (2) to this book.

3. At present, the import control covers practically all articles. Such articles are included in Schedule I to the Imports (Control) Order 1955, and their import is prohibited except under and in accordance with a licence or a Customs Clearance Permit issued under the said Order, or an Open General Licence issued by the Central Government, or if they are covered by any of the "Savings" mentioned in Clause 11 of the aforesaid Order. Import of gold, silver, currency notes, bank notes and coins is controlled by the Reserve Bank of India under the Foreign Exchange Regulations Act.

4. The office of the Chief Controller of Imports was set up in New Delhi in August 1941. Subsequently, other subordinate licensing offices were also set up.

5. *Licensing Authorities*.—Apart from the Chief Controller of Imports and Exports, New Delhi (Telegraphic address CHIFCON-IMPEX), there are the following 12 Regional licensing authorities. Their telegraphic addresses and jurisdiction are given below:—

<i>Licensing Authorities and their jurisdiction</i>	<i>Telegraphic Address.</i>
(i) The Joint Chief Controller of Imports and Exports, 4-Esplanade East, Calcutta, with jurisdiction over the States of Orissa, Bihar, West Bengal, Tripura and Andaman and Nicobar Islands.	Imptradcon. Calcutta.
<i>Licensing Authorities and their jurisdiction</i>	<i>Telegraphic Address.</i>
(ii) The Joint Chief Controller of Imports and Exports, Nav Bhuvan, Nicol Road, Ballard Estate, Bombay, with jurisdiction over the whole of re-organised State of Madhya Pradesh, Maharashtra and Gujarat excluding those districts of Old Bombay State, which were formerly known as Saurashtra and Kutch.	Jochconimp, Bombay.
(iii) The Import Trade Controller, Rajkot with jurisdiction over those districts of Old Bombay State which were formerly known as Saurashtra and now included in Gujarat State.	Impexcon Rajkot.
(iv) The Joint Chief Controller of Imports and Exports, Linghi Chetty Street, Madras, with jurisdiction over Madras and Andhra Pradesh except areas which are licensed by the regional authorities mentioned at (v-viii) below.	Jochconimp, Madras.

- (v) The Deputy Chief Controller of Im-Imptadcon ports and Exports, Ernakulam with Ernakulam. jurisdiction over Kerala, the Coimbatore districts of Madras and Mangalore Districts of Mysore and Laccadive, Minicoy and Amindivi Islands.
- (vi) The Controller of Imports and Exports, Coneximp Pondicherry, with jurisdiction over Pondicherry. former French Establishments in India, namely, Pondicherry, Karaikal, Mahe and Yanam.
- (vii) The Controller of Imports and Ex-Impexcon ports, Visakhapatnam, with jurisdiction over the following six districts of Andhra Pradesh:—
Srikakulam, Visakhapatnam, East Godavari, West Godavari, Krishna and Guntur.
- (viii) The Controller of Imports and Exports, Coneximp Old Government Soap Factory Building, Bangalore. with jurisdiction over the whole of Mysore State except Mangalore District.
- (ix) The Joint Chief Controller of Imports & Exports, Central Licensing Area, New Delhi. Janpath, New Delhi, with jurisdiction over the whole of U.P., Rajasthan, Punjab, Delhi, Himachal Pradesh and Jammu and Kashmir.

*Licensing Authorities and
their jurisdiction*

*Telegraphic
Address*

- (x) The Assistant Controller of Imports and Exports, New Kandla with jurisdiction over those districts of Old Bombay State which were formerly known as Kutch and now included in Gujarat State.
- (xi) The Assistant Controller of Imports and Exports, Shillong, with jurisdiction over the State of Assam, NEFA and Manipur.
- (xii) The Joint Chief Controller of Imports and Exports, Panjim (Goa) with jurisdiction over the former Portuguese possessions in India namely, Goa, Daman and Diu.

CHAPTER II

GENERAL LICENSING PROCEDURE

6. The instructions contained in this book will be applicable subject to such amendments as may be made in future and the provisions of the relevant Imports Trade Control Policy Book.

7. *Categories of Importers.*—(1) For the purpose of licensing importers are divided into the following broad categories:—

- (i) Established Importers,
- (ii) Actual Users,
- (iii) Others.

(2) The applications for licences are considered in terms of the relevant policy in force.

8. *Application Forms.*—(1) The applications for licences are required to be made on prescribed forms.

(2) There are separate forms of application for (i) Established Importers, (ii) Actual Users not borne on the registers of the Directorate General of Technical Development, including Small Scale Industries, (iii) Actual Users borne on the registers of the Directorate General of Technical Development, (iv) Capital Goods and Heavy Electrical Plant, (v) Machine Tools, and (vi) Export Promotion Scheme. These forms are given in the Import Trade Control Policy Book.

(3) The forms of application can be obtained from all the licensing offices and also from authorised dealers in Government publications, on payment of 12 nP. per form. If the forms are not readily available, the applicants can use their own typed, cyclostyled or printed copies of the prescribed forms.

(4) An applicant should submit one or more copy of the application as required under the rules or indicated in the prescribed application form.

(5) Application for licence should be signed by the proprietor, partner, karta or Managing Director of the applicant concern, as the case may be, or by any person duly authorised to sign a legal declaration on behalf of the applicant. The legal position held by the person signing the application should be clearly stated.

9. *Application Fees.*—(1) An application for import licence should be accompanied by a fee in accordance with the scale prescribed in Schedule III to the Imports (Control) Order 1955 dated 7th December 1955, reproduced in Appendix (2) to this book. In respect of applications for annual licences, the fees leviable shall be twice the amount calculated on the basis of half the value of the goods specified in the application, in accordance with the prescribed scale of fees.

(2) An application for additional licence or replacement licence should also be accompanied by a fee in accordance with the prescribed scale.

(3) In respect of subsidiary licences issued under the provisions of para. (194) of this book, a fee of Rs. 5/- will be charged for each licence.

(4) In the case of "second" appeal preferred to the Chief Controller of Imports and Exports, New Delhi against the order of a licensing authority, a fee of Rs. 5/- as required to be paid.

(5) Fees should be paid to any treasury of Government or office of the State Bank of India or the Reserve Bank of India for credit to the Central Government under the head "Import Licence Fees" subordinate to the major head "XXXII Miscellaneous Social and Developmental Organisations". For this purpose a treasury/bank chalan should be filled showing the particulars of the application in question, namely, description of the goods and value applied for. The treasury/bank will give back the chalan duly receipted and signed. This treasury/bank Receipt should be attached to the application for licence and the details of the Receipt should be quoted in the application.

10. *Exemption from Payment of Fees.*—(1) Exemption has been granted from payment of fees on applications for licences in certain cases in terms of Clause 4 of the Imports (Control) Order 1955, dated 7th December 1955. Also, according to the proviso to item 1 in the Table in Schedule III to the said Imports (Control) Order, no fees shall be leviable on an application where the value of the goods specified in the application does not exceed Rs. 250/- and the import of the goods in question is required for the personal consumption of the applicant for purposes not connected with trade or manufacture.

(2) No fees shall be payable in respect of an application made by a State or Central Government or any Department or Office of State or Central Government, or any Government owned and managed commercial concern, or local authority, or an educational or charitable institution importing goods for its own consumption, even if the import is made through another agency under a letter of authority.

(3) If any applicant belongs to any of the aforesaid exempted categories, he should say so clearly in his application for licence.

11. *Refund of Application Fees.*—(1) The application fee once received is not refundable except in the circumstances specified in Clause 4 of the Imports (Control) Order 1955 dated 7th December 1955.

(2) An application for refund of fee will be entertained by the licensing authority within whose jurisdiction the fee was paid. While making the application for refund, the applicant should send the original treasury/bank receipt or chalan pertaining to the fee sought to be refunded. In case the original receipt/chalan has been sent with the application for licence, the number and date of the receipt/chalan and the name of the treasury/bank where fee was deposited, should be given. The applicant should also furnish the

following particulars in respect of the application for import licence, if any, made or desired to be made, for which the amount of fee sought to be refunded, was deposited:—

- (a) description and value of goods;
- (b) I.T.C. classification of the goods;
- (c) category of licence; (AU/EI/CG/EP etc.)
- (d) name of the licensing authority;
- (e) licensing period;
- (f) name of the sponsoring authority if the application has been or was required to be submitted through any such authority; and
- (g) reference number and date of the last communication received from the licensing authority.

(3) The applicant should also state clearly the reasons for claiming refund of the application fee. Moreover, where an application for refund is not made within a reasonable time, the delay should be explained by the applicant.

(4) The licensing authority may also call for information or details from the applicant for considering his claim for refund.

(5) In a case where the applicant has lost the original treasury/bank receipt or chalan, the licensing authority may accept a certificate from the Treasury office/bank in support of the amount having been deposited. In such a case, the applicant should also file an affidavit on a stamped paper to the effect that the treasury/bank receipt or chalan in question has been lost and no refund of the amount thereof has been separately claimed or obtained or will be claimed and that the treasury/bank receipt or chalan, if found subsequently, will be returned to the licensing authority concerned and will not be utilised in obtaining or applying for a licence or in any other manner. The particulars of the treasury/bank receipt or chalan, namely, the amount and the description of goods etc. should also be stated in the affidavit.

12. *Income-tax verification.*—(1) Subject to the exceptions made in these provisions, all applicants for import licences (including those from the former French or Portuguese possessions in India) are required to obtain Income-tax Verification Certificate Registration/Exemption Number from the appropriate licensing authority, and to quote that number in their applications for licences.

(2) The procedure for allotment of Income-tax Verification Certificate Registration/Exemption Numbers (I.V.C. No.) is set out in Appendix (3) to this book. It is not necessary for an applicant to obtain separate I.V.C. Registration/Exemption Number from each licensing authority; and the Number allotted by any one of the licensing authorities will be accepted by all the licensing authorities.

(3) Applicants in whose cases the production of I.V.C. Registration/Exemption Number, has been dispensed with, are categorised in the Appendix referred to in sub-para (2) above

(4) In the absence of a valid I.V.C. Regn./Exemption Number, where required, the applicant will be given 30 days time to produce it, failing which the application will be liable for rejection. Applicants should, therefore, take steps to obtain their I.V.C. Regn./Exemption Numbers in good time so as to be able to quote the same in their applications for licences. However, in cases of genuine difficulty, the licensing authority may dispose of the application for licence from an actual user or established importer in anticipation of the production of valid I.V.C. Regn./Exemption Number and issue the licence, if otherwise admissible, advising the applicant to produce the required number before the end of the relevant licensing period. This facility will not, however, be available to an applicant in two successive licensing periods.

13. *Classification of Stores.*—The Schedule I to the Imports (Control) Order 1955, reproduced in Appendix (2) to this book, commonly known as the I.T.C. Schedule, contains the classification of all the articles that enter into the import trade. The Schedule is divided into six parts and broadly covers the following classes of goods:—

Part I.—Iron and Steel and non-ferrous metals and manufactures thereof.

Part II.—

- (i) Metals and manufactures thereof, other than those covered by parts I, IV, V and VI of the I.T.C. Schedule.
- (ii) Machinery, spares, and mill stores required for certain industries like jute, tea, iron and steel, electric supply undertakings, mines and quarries.
- (iii) Engineering Stores, such as ball bearings small hand tools, precision and measuring tools, abrasives and belting.
- (iv) Certain types of electrical instruments, apparatus and appliances, electric control and transmission gear, electric fans and earthenware/porcelain used in electrical items and installations.
- (v) Transport materials.

Part III.—

- (i) Certain chemicals and auxiliaries used in the textile industry other than jute and hemp.
- (ii) Coal tar dyes and derivatives.
- (iii) Raw Cotton.
- (iv) Textile machinery and parts and mill stores for the textile industries other than jute and hemp.

Part IV.—Consumer goods.

Part V.—Industrial requirements such as certain classes of machinery, chemicals, manures, paints, and colours and printers materials, printing and lithographic materials agricultural implements and instruments and apparatus and appliances, plastic materials and manufactures.

Part VI.—Machine tools.

14. *Co-relation between I.T.C. and I.C.T. classification.*—An attempt has been made to co-relate, as far as possible, the I.T.C. Schedule (except Part VI) with the Indian Customs Tariff. A constant review is undertaken to ensure that whenever there are changes in the I.T.C. or I.C.T. classifications, such changes are correlated.

15. *Correct classification to be ascertained before making any application for licence.*—(1) An intending importer should ascertain the correct I.T.C. classification of the goods he intends to import (with reference to serial or sub-serial number and part of the I.T.C. Schedule) so that he may be able to apply to the proper licensing authority for a licence and to know exactly the licensing policy in respect of the articles for which he is applying. If an article is incorrectly classified by an importer, there is a possibility of the application for licence being diverted to a wrong licensing authority or of its being rejected. The importers should, therefore, in their own interest, make sure of the correct classification of the articles for which they are applying.

(2) An importer should also give the fullest description of the articles applied for so that any mistakes in the I.T.C. classification can be corrected while issuing a licence. Moreover, if an article is correctly described in the import licence, even if the I.T.C. classification shown against that item is not correct, the importer is not likely to experience difficulty in the clearance of goods on arrival.

16. *Procedure for ascertaining correct classification.*—(1) An exhaustive alphabetical index of articles is attached to Import Trade Control Policy Book issued from time to time; and this will enable the importer to ascertain the correct I.T.C. classification of any particular article. If an importer is in doubt in regard to the correct classification of any article, he should make a reference to the appropriate regional licensing authority for clarification and advice in the first instance. To enable such authority to take a correct view in the matter, the importer should give the fullest description of the article in question and its end-use. He should also send illustrative literature about that article and the sample thereof wherever possible. If the tariff item under which the article is assessed to duty by the Customs is known, it should also be indicated. The I.T.C. authorities will attend to such enquiries on an urgent basis.

(2) Where the regional licensing authority is not in a position to determine the correct I.T.C. classification of an article or where there is a difference between one regional authority and the other in regard to such classification, the matter is referred to the Chief Controller of Imports and Exports, New Delhi. Such references are resolved by a Committee in the Office of the Chief Controller of Imports and Exports, New Delhi where the Directorate General of Technical Development and the Central Board of Revenue (Excise and Customs) are also represented. The decisions taken in the Office of the Chief Controller of Imports and Exports, in regard to the I.T.C. classification are announced by means of Public Notices wherever necessary. Such decisions are also incorporated in the alphabetical index attached to the Import Trade Control Policy Book.

17. *Currency Areas*.—(1) Previously, the countries of the world were divided into two major groups (i) the Dollar Area and (ii) the Soft Currency Area, for licensing purposes. The distinction between Dollar and Soft Currency areas was removed from the licensing period April, 1961—September 1961.

(2) Import licences of the following two types are now issued:—

- (i) "General Area licences" which are valid for import from all countries, and
- (ii) "Specific licences" such as licences issued under Capital Goods and H.E.P. Schemes, Export Promotion Schemes etc., which are valid for import from specified country or countries.

No licence is valid for import from South Africa/South West Africa. (General Area includes all countries except South Africa/South West Africa.)

18. *Licensing Period*.—For the purpose of import licensing, a financial year is divided into two half-years namely April—September and October—March. Previously, the import policy for each half-year was incorporated in a separate Import Trade Control Policy Book but with effect from the financial year April 1962—March 1963 the said book contains the policy in respect of a whole financial year. All applicants whether established importers, actual users or others, have now to submit their applications for import licences on an annual basis to cover their yearly entitlement/requirement in terms of the relevant import policy. Annual licences, where issued, will be subject to certain specific conditions in regard to their utilization and such conditions will be given in the relevant Import Trade Control Policy Book.

19. *Import Policy*.—The import policy is announced on the eve of each financial year by means of a Public Notice which is issued in the form of a book called the Import Trade Control Policy Book, commonly known as the "Red Book", which is a priced publication and is available for sale with the licensing authorities at the ports and the Manager of Publications, Delhi, and other authorised dealers in Government publications. Any important changes in policy that may become necessary in the mid-term of the financial year, are separately notified by means of Public Notice.

20. *Licensing Authorities*.—(1) Names of the licensing authorities and their jurisdiction are given in para 5 of this book.

(2) Unless otherwise provided, an application for import licence in respect of an item should be made to the licensing authority shown against that item in the relevant Import Trade Control Policy Book. Where the Licensing authority is shown as 'Ports' the applicant should apply to the particular licensing authority under whose jurisdiction his business is established; but, in the case of an Actual User, the determining factor for this purpose is the location of the factory and not of the management, and the actual user should apply to the licensing authority within whose jurisdiction his factory is located. However, in cases where any specific licensing authority has been shown against any item, as for example, Bombay, Calcutta, etc., all

the applications for that item should be made to that authority irrespective of the jurisdiction of any other licensing authority in relation to the location of the applicant's business or factory.

(3) Where an actual user has got factories and organisations in different parts of the country falling under the jurisdiction of different licensing authorities, it will be open to him to submit a consolidated application from his Head Office to the licensing authority within whose jurisdiction the Head Office is located. Such consolidated application should cover the requirements of all the factories and organisations of the actual user applicant. The requirements of each factory or unit should be separately enumerated in a list to be appended to such application duly supported by the essentiality certificates issued by the certifying authorities concerned. On such consolidated application, the licensing authority will issue separate licences in respect of each factory/unit in terms of the policy in force, if admissible. However, this facility will not enable the actual user to apply to a regional licensing authority in respect of the requirements of any unit borne on the registers of the Directorate General of Technical Development for which the licensing authority is the Chief Controller of Imports and Exports, New Delhi. Similarly, this facility will also not be available in case of items centralised with a particular licensing authority for the purpose of licensing irrespective of the location of the factory/unit of the applicant.

(4) Where an established importer has more than one office in India, the location of the branch or office in whose name the quota certificate stands will determine the licensing authority to whom the application for licence should be made. Thus in the case of an established importer having offices in Delhi and Calcutta, if the quota certificate is in the name of Delhi office, the application should be addressed to the Joint Chief Controller of Imports and Exports, Central Licensing Area, New Delhi. The same principle will apply where different branches of an established importer have been functioning as separate entities and have their own quota certificates. A branch situated in the jurisdiction of Joint Chief Controller of Imports and Exports Bombay will apply to him for licences against all its imports through different ports, while the branch situated in the jurisdiction of, say, Joint Chief Controller of Imports and Exports, Calcutta, will similarly apply to him on the basis of its total imports. The head office or branch of an established importer may, however, make a consolidated application for import licence on the basis of imports standing in the name of the head office and all its branches. Such application should be accompanied with a certificate to the effect that all the other branches have not made and will not make any application for import licence for the same period and the same item to any other licensing authority. In this connection, attention is also invited to the provisions of para 47 of Chapter III regarding the selection of a common basic year by the head office and all its branches.

21. *Licensing authority in respect of Iron and Steel Items.*—The Iron and Steel Controller, Calcutta, Deputy Iron and Steel Controller, Bombay, the Assistant Iron and Steel Controller, Madras, the Assistant Iron and Steel Controller, New Delhi and the Officer on Special Duty, in the Ministry of Steel, Mines and Heavy Engineering Industries (Department of Iron and Steel) are the licensing authorities for

certain controlled items of Iron and Steel, falling in part 1 of the I.T.C. Schedule.

22. *Licensing Authority for Machine Tools.*—Machine Tools falling under Part VI of the I.T.C. Schedule are licensed by the Development Officer (Tools) in the Directorate General of Technical Development, New Delhi.

23. *One application for each commodity in one licensing period.*—(1) An applicant should make only one application in a licensing period, in respect of goods falling under the same serial or sub-serial number of the I.T.C. Schedule except in the following cases or where otherwise provided:—

- (a) machinery items where more than one application becomes necessary for unavoidable reasons.
- (b) raw materials required by actual users.

(2) In cases where more than one application is submitted for items falling under the serial or sub-serial number of the I.T.C. Schedule, applicants should furnish detailed reasons for doing so. Cross reference of the previous application should distinctly and invariably be made in the relevant columns of the application. Any omission or breach of this rule will render the applicant liable to be debarred from receiving licences, without prejudice to any other action that may be taken against him under the Imports and Exports (Control) Act 1947 or the Order issued thereunder:—

24. *Registration of licences at ports.*—The applicants should invariably indicate in their applications for import licences, the particular port where they intend to register the licence, if issued, with the customs authorities. The licensing authority concerned will accordingly indicate in the licence the port of registration by an endorsement made thereon. The importers should register the licence with the customs authorities at the specified port only, although, as hitherto, it will continue to be valid for import at all ports in India, except where specifically provided otherwise in the licence.

25. *Last date for submission of applications.*—(1) The last dates for submission of applications for licences are indicated in the relevant Import Trade Control Policy Book. Applicants are advised in their own interest to submit applications well in advance of the last date so as to reach the licensing authority concerned before the last date as an application received after the prescribed last date is liable to be summarily rejected.

(2) However, in case the prescribed last date falls on a public holiday or a bank holiday, applications, complete in all respect, received on the following working day will be deemed to have been received by the last date

26. *Important hints to importers.*—(i) The application for licence should be made in the appropriate prescribed form.

(ii) The application form should be filled up neatly and accurately. No column should be left blank. The words 'Yes' or 'No' or 'not'

applicable can be used against the columns in the application form, wherever necessary. If the applicant is not able to give answer to any particular column, he should give a positive reason for the same.

(iii) The information in the application form should be given faithfully and correctly.

(iv) The description and I.T.C. classification of the goods should be given fully and correctly in the application form.

(v) The treasury/bank receipt showing payment of application fee on the value applied for should be attached to the application.

(vi) The I.V.C. number should be quoted in the application, where necessary.

(vii) The essentiality certificate should be attached to the application wherever necessary.

(viii) All the required documents should be attached to the application and all the enclosures to the application should be detailed in the covering letter of the application giving particulars of each document.

(ix) The application should be signed by an authorised person who should give his address and position held by him.

(x) Separate applications should be submitted for articles falling under different serial or sub-serial number of the I.T.C. Schedule, except where otherwise provided.

(xi) The postal address of the applicant should be given completely and neatly.

(xii) The correct reference number, if any, of the licensing authority should be quoted.

(xiii) The application should be sent by post to the appropriate licensing authority or delivered at the counter in the office of the licensing authority concerned before the last prescribed date.

CHAPTER III

ESTABLISHED IMPORTERS

27. *Definition.*—(1) Established importers are those who have been actually engaged in the import trade of the articles comprised in any serial or sub-serial number, of the I.T.C. Schedule during at least one financial year (1st April to 31st March) falling within the basic period specified for the said serial or sub-serial number. The importers may choose the most favourable year from the basic period for the purpose of obtaining quota certificates.

(2) An established importer may be (i) an individual, (ii) a partnership firm, (iii) a karta of a Hindu undivided family in respect of the family business, (iv) a limited company and (v) any association or body of individuals.

28. *Basic period.*—(1) The basic period for the purpose of calculating the quota of established importers is from 1st April 1951 to 31st March 1952. With effect from October 1959–March 1960 licensing period, the basic period has been curtailed to exclude the period from 1st April 1945 to 31st March 1951. In the case of Art Silk Yarn, the basic period will, however, continue to be from 1st April, 1945 to 31st March 1951.

(2) The basic period has been extended to 1952-53, 1953-54, 1954-55, 1955-56, 1956-57, 1957-58, 1958-59, 1959-60 and 1960-61 in the case of a large number of items. The list of such items will be found in the relevant Import Trade Control Policy Book.

(3) In respect of items which were covered by Open General Licences Nos. XLIV and XLV, dated 29th September, 1956, and which have since been brought under quota licensing, the basic period will be from 1952-53 to 1955-56 provided that:—

- (i) In the case of any such items for which the basic period has been extended, the basic period will be from 1952-53 to the year upto which the basic period has been extended;
- (ii) In respect of composite Serial Nos./Sub-Serial Nos. consisting of a number of items where certain specific item(s) was/were included in the said Open General Licences, the basic period will be from 1951-52 to 1955-56.

For ready reference, O.G.Ls. XLIV and XLV have been reproduced in Appendix (4) to this book.

(4) No application for fixation/re-establishment of quotas will be accepted in respect of past imports in any financial year prior to 1st April 1951. However, quotas already fixed in respect of imports during the period from 1937-38 to 1944-45 and from 1945-46 to 1950-51 will continue to be accepted for the grant of quota licences until further notice.

29. *Quota Certificates on Security forms.*—(1) A Quota Certificate as referred to in para 27 above is issued by a licensing authority to an established importer in token of acceptance of his past imports of a particular commodity falling under a serial or a sub-serial number of the I.T.C. Schedule, in a financial year selected by him within the specified basic period. All Quota Certificates are issued on Security form, a specimen of which is given in Appendix (5). Import licences are granted to established importers on the basis of valid quota certificates.

(2) After the grant of the quota certificate, if the licensing authority has got any doubt, he may call for the original documents to recheck the applicant's past imports and, on verification, the quota certificate may be amended, reduced in value or cancelled. Quota certificate will also be liable to cancellation or amendment or reduction in value if it has been granted by inadvertence or by mistake or contrary to rules or has been obtained by fraud or misrepresentation.

30 *Documents to be furnished for fixation or refixation of quotas.*—A quota certificate is issued on the basis of the following documents:—

(i) (a) The triplicate copy of the Customs Bill of Entry for home consumption, (b) In the case of goods bonded on arrival, a copy of original 'into bond' Bill of Entry certified by the customs authorities (c) In the case of duty-free goods, the Exchange Control copy of the Bill of Entry.

(ii) Invoice pertaining to the goods imported;

(iii) Bank memo, Bank draft or other evidence of payment, and particulars of licences, etc. against which the imports were made.

N.B.—(a) In the case of duty-free goods, if the importer is unable to produce Exchange Control copy of the Bill of Entry on the ground that it had been retained by the Reserve Bank of India, the triplicate copy of the Bill of Entry, or the certified copy of the Bill of Entry will be accepted;

(b) In the case of imports made at Calcutta port, when the customs authorities were not issuing an extra copy of the Bill of Entry but were issuing only customs duty receipts, either the Exchange Control Copy of the Bill of Entry or the Customs duty receipt, with the relevant invoice duly attested by the Customs Appraiser will be accepted in lieu of the triplicate copy of the Bill of Entry. From 14th May 1952, the customs authorities at Calcutta had, in addition to the Exchange Control copy of the Bill of Entry, started issuing to the importers an extra copy of the Bill of Entry, namely the quadruplicate copy. With effect from 15th February 1954, however, the Calcutta customs modified the procedure and started issuing to the importer a triplicate copy of the Bill of Entry together with the Exchange Control Copy. Therefore, with effect from the dates specified above, the quadruplicate/triplicate copies of the Bill of Entry (and not the Exchange Control copies) along-with other specified documents, will be accepted;

(c) In the case of goods bonded on arrival if the importer is unable to produce 'into bond' Bill of Entry for valid reasons to the satisfaction of the licensing authority and

where the importer is able to produce evidence that no transfer of ownership of goods took place while the goods were 'in bond' the licensing authority may accept the 'Ex-bond' Bill of Entry in lieu of 'into bond' Bill of Entry, provided the importer files an affidavit :—

- (1) that for reasons stated in the affidavit, he is not able to furnish the 'into bond' Bill of Entry;
- (2) that no transfer of ownership of the goods took place when the goods were in bond;
- (3) that no quota has been or will be claimed against the 'into bond' Bill of Entry for the same goods from any licensing authority.

In such cases, the date of original bond when the goods were first entered into bond will be reckoned as the date of importation for the purpose of calculation of quota and not the date given in the 'Ex-bond' Bill of Entry.

- (d) if, for valid reasons, an importer is unable to produce the customs copy of the Bill of Entry where such copy is required to be produced, but produces the Exchange Control Copy thereof or a true copy of the Bill of Entry certified by customs authorities, the case may be considered on merits by the licensing authority after the importer concerned files an affidavit in the form given in Appendix (6) to this book.
- (iv) In the case of imports made by post, the Postal Declaration Form or Customs Duty Receipt with relevant invoice, Bank draft and the particulars of licence etc. against which the import was made, should be produced.

N.B.—(a) If an importer is unable to produce Postal Declaration Form or Customs Duty Receipt, then the documents namely, Bill of Exchange, Banker's Memorandum of payment and the relevant invoice duly attested by a Customs Appraiser, will be accepted in lieu.

- (b) In cases where the importers are unable to produce the required evidence for proving past imports made by post, certificates of postal imports giving the description of goods contained in the parcel and the duty paid by the importer, issued by the Assistant Collector of Customs, Postal Appraisement, will also be accepted in lieu of the prescribed evidence; provided the importer files an affidavit to the effect that he has not claimed a quota previously on the basis of the postal way bills, memoranda of payment and relative invoices etc. in respect of the same goods nor will he do so in future.
- (v) In the case of imports from Pakistan, Land Customs Appendices supported by corresponding invoices and Solas (Bank memos) and any other satisfactory evidence of payment for the imported goods, will be accepted.

31. *Basic imports*:—(1) Subject to the provisions of sub-para (2) below, the licensing authority will, on the basis of the above documents, determine the 'basic imports' of the applicant, i.e., the c.i.f. value of his imports of goods falling under the same serial number or sub-serial number from the General Area/Pakistan in a common completed financial year selected by the importer within the prescribed basic period. The licensing authority will then issue a quota certificate on security form for the value as determined.

Provided that in the case of a Serial No. or Sub-Serial No. for which two separate quota licences were issued during October 1960—March 1961 licensing period on former General Area or former Soft Currency Area in respect of past imports falling in different basic years from the former Dollar and Soft Currency Areas respectively, the parties holding such two quota certificates will be allowed to retain such quota certificates until further notice.

(2) Quota Certificates are issued on the basis of past imports from all countries included in the General Area other than Pakistan, Afghanistan, Nepal, Tibet, Bhutan and former Portuguese or French Possessions in India. But the importer will be entitled to an additional quota certificate on Pakistan on the basis of his imports from Pakistan only; provided the basic year for these imports is the same as the one on the basis of which the importer has obtained his quota certificate on General Area.

32. *Issue of separate quota certificate in respect of past imports from Pakistan*.—The quota certificate in respect of past imports from Pakistan, as stated in para. (31) above, will be issued to an importer on the basis of original documents indicated in para. (30) above. It is essential that the importers should obtain their quota certificates on the basis of their imports from Pakistan simultaneously with their quota certificates on General Area. Similarly they should, while applying for re-fixation of quotas on the General Area, invariably submit their quota certificates on Pakistan along-with their old quota certificates on Soft Currency area/dollar area.

33. *Imports which will not be counted as basic imports*.—The following categories of imports will not be taken into account in calculating the importer's quota:—

- (a) Imports made in contravention of the Import Trade Control Rules and Regulations.
- (b) Imports made without a valid licence and cleared under a warning.
- (c) Imports made in excess of the value of the licence and allowed to be cleared by the Customs Authorities on payment of fine/penalty. Only such excess will not qualify for quota fixation.
- (d) Imports made by the applicant under a letter of authority authorising him to import goods against a licence granted to another party.
- (e) Imports made under licences granted against the orders of the late D.G.(I&S) (now D.G.S.&D.) or of the State Railways.

- (f) Imports made under licences granted to actual users in respect of raw materials or accessories or other articles.
- (g) Imports made under *ad-hoc* licences or licences granted subject to the express condition that imports thereunder will not be taken into account in calculating quotas i.e., licences marked 'N.Q.Q.' or otherwise.

N.B.—In cases where quota certificates have already been fixed on the basis of imports made against *ad-hoc* licences, where such imports were admissible, the quotas so fixed will not be disturbed.

- (h) Imports made against C.G.&H.E.P. licences by Actual Users or other imports against orders from Actual Users. However, imports made against C.G.&H.E.P. licences for stock and sale purposes will be taken into account for purposes of calculation of quota only in respect of Sr. No. 36/II, S. No. 4/III and S. No. 65/V of the I.T.C. Schedule.
- (i) Imports of goods of no commercial value made under O.G.L. IV.
- (j) Imports made against licences granted under the Export Promotion Scheme and Avocation Scheme.
- (k) Imports made against "Replacement licences".
- (l) Imports of casual nature e.g. imports for personal use or imports as samples.
- (m) Imports of equipments against licences issued under the Irrigation Projects Licensing Scheme.
- (n) Imports made under licences issued through inadvertence or mistake or contrary to rules or provisions of Imports (Control) Order 1955 or obtained by fraud or misrepresentation, subsequently detected.
- (o) Imports made by an actual user under O.G.L. or otherwise of goods which were used by the actual user in his own factory/establishment.

34. *Imports allowed under warning by Customs-Acceptance for fixation of quota.*—In some cases, goods might have been imported under a licence, but the Customs authorities may find some discrepancy in the goods and the imports may not be exactly covered by the licence held by the importer. Again there may be cases where the goods are allowed to be cleared on the basis of wrong advice regarding classification given by the I.T.C. Authorities or the Customs Houses. In cases of this nature, the Customs warn the importer and may permit the clearance of goods. Such imports, though allowed to be cleared after issue of a warning by the Customs, will qualify for quota fixation. However, the quota will be fixed only under the correct I.T.C. classification of the goods, if otherwise admissible.

35. *Determination of the date of import in connection with past imports.*—In determining whether a particular import falls in any particular financial year for the purpose of fixation/refixation of

quota, the following dates will be reckoned to be the dates of importation:—

- (a) In the case of goods cleared for home consumption, the date given in the oval stamp affixed on the relevant Bill of Entry;
- (b) In the case of duty free goods cleared for home consumption, the date of the Import Duty Free Number (I.D.F. Number);
- (c) In the case of goods bonded on arrival and subsequently cleared from bond for home consumption, the date on which the goods were bonded by Customs;
- (d) In the case of post parcels, the date assigned to the way bill by the post office.
- (e) In the case of imports by land route, the date on which custom duty is recovered by the Customs authorities; in the case of duty-free goods imported by land route, the date on which the Land Customs Appendices are passed by the Customs for clearance of the goods for home consumption.

36. *Procedure for quota fixation in case of changes in the classification of items.*—In cases where classification of an item changes from one serial number of the I.T.C. Schedule to another, the licensing authority will take into account the past imports of such item for establishment/re-fixation or recalculation of quota under the new serial number. In doing so, it will be ensured that:—

- (i) The importer's quota under the old serial number is correspondingly reduced and his quota certificate duly amended; and
- (ii) Only such past imports are taken into account for the purpose of re-fixation/re-calculation of quota as are in respect of the same basic year as the importer's original quota certificate for the new serial number in question.

37. *Applications for establishment or re-fixation of quotas.*—(1) Applications for establishment or re-fixation of quotas should be made in the prescribed form given in the Import Trade Control Policy Book (Form 'F'), and should be accompanied by:—

- (i) the previous quota certificate, wherever it is sought to be revised;
- (ii) a certified copy of the import licence, if any, received for the previous licensing period;
- (iii) A statement of basic year's imports in the form prescribed in the relevant Import Trade Control Policy Book, supported by relevant documents mentioned in paragraph 30 above, together with certified copy of each of the documents duly signed by the applicant; and
- (iv) a statement giving reasons to prove the necessity for the establishment or re-fixation of the quota.

(2) Applications for establishment/refixation of quotas will be entertained in respect of items for which the basic period has been extended or in cases in which the licensing authority is satisfied that

the applicant has been unable for some good reason (e.g., litigation or financial difficulties etc.) to prove his basic imports and to establish his quota to participate in the import trade in the previous licensing periods. The need for establishing fresh quotas will also arise in cases in which the item in question has been allotted a separate serial number, or the system of quota licensing in respect of the item has been introduced for the first time.

(3) Notwithstanding anything contained in sub-para (2) above, no belated application for establishment/refixation of quota will be entertained in respect of any serial number or sub-serial number where the delay in making the application exceeds five years.

(4) Separate applications for establishment or re-fixation of quotas should be made in respect of items falling in different serial numbers or sub-serial numbers of the I.T.C. Schedule.

(5) The applications for establishment/re-fixation of quotas should be made within the date prescribed in the relevant Import Trade Control Policy Book. However, in cases where there is a change in the name, constitution or ownership of a business requiring recognition by the I.T.C. authority and where the application for such recognition and grant of quotas is pending with the I.T.C. authority concerned, it is not necessary for the new or the reconstituted concern to submit their applications for the establishment/re-fixation of quotas within the prescribed date in respect of past imports standing in the name of the original concern. In such cases, the applications for establishment/re-fixation of quotas should be made within a period of 30 days from the date of the applicant's recognition as new established importer and grant of quotas.

38. *Fixation of quota for items under O.G.L. or which are banned for import or whose imports are canalised.*—No application for fixation or re-fixation of quota for items which are under O.G.L. or which are banned or whose imports are canalised through some particular agency and are not open to established importers, will be entertained. However, to avoid hardship that may be caused by the strict application of this rule, the licensing authority may relax the rule in the following types of cases, as indicated below:—

- (i) Where an application for fixation of quota for a particular item remains pending for one period or more and, at the time of finalisation of the case, it so happens that the import of the item is banned, the quota certificate may not be refused merely on the ground that the item had been subsequently banned;
- (ii) Where an importer holds a quota certificate for a serial number which is subsequently split into various sub-serial numbers, some of which are banned, the original quota certificate may be split up by issuing fresh quota certificates in respect of past imports of each of the sub-serials including the banned ones.
- (iii) Where the import of certain machinery etc. is banned but there is a provision in the relevant policy for the grant of licences for spare parts against the past import of such banned machinery, the quota certificate may be issued for such machinery in spite of the ban to enable the appli-

cant to obtain licence for spare parts in terms of the policy.

39 *Quotas/past imports upto which licences/quota certificates will not be issued*—Quota/Additional licences to established importers will not be issued and no quota certificates will be granted to them if the value of the past imports on which quota is claimed is upto the minimum indicated in the following table :—

Quota percentage of articles as given in Section II of the relevant Imports Trade Control Policy Book.	The value of past imports upto which no quota/additional licence and/or Quota certificate will be granted.
(i) 25% or less	Rs. 100
(ii) Over 25%	Rs. 200

40. If the application for a quota certificate is made within the date prescribed for submission of such applications in terms of the policy in force, and the application is complete in all respects and is accompanied with all the required documents, efforts will be made by the licensing authority to grant the quota certificate as early as possible before the expiry of the licensing period in which the application is made. However, there may be cases where the grant of the quota certificate is delayed for one reason or the other, the grant of licences for back periods against such quota certificate will be considered in terms of the provisions contained in Para 40 of this book

41 In para 20 of Section I of the Import Trade Control Policy Book for January-June, 1955 period it was notified that with effect from July-December, 1955 licensing period, the old quota certificates, on non-security form, will not be accepted for the grant of import licences. However, such of the importers who had not received quota certificates on security form, were advised to do so immediately; and this concess on had been extended upto July-December, 1956 period. With effect from January-June, 1957 period, the quota certificates, if any, on non-security paper are not accepted for calculation of quotas. It may be noted that, in no case, will an import licence be granted on the basis of the old quota certificate (*i.e.*, quota certificate not issued on security form)

42 *Issue of duplicate quota certificates*—(1) Where a quota certificate is lost or misplaced, the established importer can file an affidavit on stamped paper in the form prescribed in Appendix (6) to this book and apply for the issue of a duplicate

(2) Where a quota certificate on security form gets torn or worn out by frequent handling, the established importer can apply for the issue of a duplicate in lieu of such quota certificate

(3) The applications for issue of duplicate quota certificates in such cases should be made to the licensing authority who had issued the original quota certificate in question

(4) It will be open to the licensing authority to ask for the original documents such as Bill of Entry etc to verify the applicant's past imports before issuing a duplicate quote certificate.

43 *Quota Registration Scheme*.—The scheme was first applied to Miscellaneous Hardware and later extended to 13 other items. Its working was reviewed in March 1953 when it was found that because of the sub-division of many of the items included under it, importers had experienced difficulties in establishing their quota and the licensing authority had to enter into prolonged correspondence. As a result of the review, it was decided to remove the following items from the Quota Registration Scheme,—

- | | |
|--|---------------------|
| (1) Safety Razor blades | 277-IV. |
| (2) Sheet and plate glass | 244-IV |
| (3) Glass table-ware excluding glass tumblers | 245-IV. |
| (4) Glass and Glass-ware not otherwise specified
and lacquered-ware | 248-IV |
| (5) Cycles | 300-IV |
| (6) Motor vehicle parts | 293, 295 and 297-IV |

The position was further reviewed and it was decided with effect from 1st April 1961 to remove the following remaining items also from the Quota Registration Scheme:—

- | | |
|---|------------|
| (1) (A) Electric Lighting Bulbs (excluding electric
bulbs for torches) | 38-A-II |
| (a) General lighting service lamps upto
500 watts in all finishes including
frosted, inside white opal and Day
light blue. | |
| (b) All types of train lighting and cablight
lamps. | |
| (c) Studio and Projector lamps. | |
| (d) Fluorescent tubes. | |
| (e) Motor Car lamps (Auto-bulbs). | |
| (f) Other lamps. | |
| (B) Electric bulbs for torches | 250-IV |
| (2) Domestic hardware and stoves made of alu-
minium | 267-IV |
| (3) Domestic hardware and stoves not made of
aluminium | 268-IV |
| (4) Paints and Varnish brushes | 321-IV |
| (5) Toilet brushes | 322-IV |
| (6) Brushes all sorts excluding paint and varnish
brushes, toilet brushes and brooms | 324-IV |
| (7) Motor cycles | 294-IV |
| (8) Cycle parts | 301-IV |
| (9) Miscellaneous hardware | 275 (a)-IV |

The licences for all the above items can now be obtained in the same manner as licences for other items subject to the relevant policy and the rules

44. *Basis of quota licences*—(1) Established importers can get quota/additional licences on the basis of a valid quota certificate issued on security form, in terms of the import policy in force.

(2) The application for licence should be submitted by an applicant in the prescribed form, complete in all respects, so as to be

received by the licensing authority concerned within the date prescribed for this purpose in the relevant Import Trade Control Policy Book, and duly accompanied by:

- (a) a valid quota certificate issued on security form;
- (b) a registration number issued by the Jt. C.C.I., Calcutta or the licensing authority concerned in connection with the Quota Registration Scheme;
- (c) Treasury/Bank receipt showing payment of the application fee on the value applied for;
- (d) any other document considered necessary or prescribed in terms of the provisions of this book or the relevant Import Trade Control Policy Book or Public Notices/Trade Notices issued in this regard.

(3) The documents of past imports on the basis of which the quota certificate has been issued, need not be produced by the applicant along with his application for quota/additional licence. But it will be open to the licensing authority to ask for the original documents of imports such as Bill of Entry etc. to verify the applicant's past imports before issuing the licence.

(4) Applications received after the prescribed date are liable to be summarily rejected. Applicants are, therefore, advised in their own interests to submit applications complete in all respects much in advance of the last prescribed date. The licensing authority may, however, entertain an application from an established importer for quota/additional licence, which is received complete in all respects or is completed by supplying the deficiencies, within 30 days from the prescribed last date for receipt of such application. But in such cases the value of the quota/additional licence, if otherwise due, will be reduced by 25 per cent. The cut will also be applicable to minimum value quota/additional licences.

(5) Where there is a change in the name, ownership or constitution of an established importer's business requiring recognition by the I.T.C. authority and where the application for such recognition and grant of quotas is pending with the I.T.C. authority concerned, it is not necessary for the new or the reconstituted concern to submit their applications for the grant of quota licences within the prescribed date in respect of quotas standing in the name of the original concern. In such cases, the established importer should make applications for quota licences within a period of 30 days from the date of his recognition as established importer and grant of quotas. However, where such applications for quota licences happen to be made after the expiry of the licensing period to which the applications relate, the provisions of paragraph (48) of this book will be applicable in the disposal of such applications also.

(6) If instead of obtaining the import licence on the basis of the quota certificate held by the applicant, he desires, for some good reason, to have his quota established afresh or revised, he should submit his application for establishment/refixation of quota to the licensing authority concerned as provided in paragraph (37) above. Previously, the application for the establishment of quota used to form part of the application for grant of licence; but, in the interest

of simplicity and despatch, the application for establishment or revision of quota is now required to be made separately.

(7) Where an applicant has submitted an application for establishment/refixation of quota complete in all respects within the last date prescribed for the submission of such application, he should also submit his application for quota licence by the prescribed date making a cross reference to the application for establishment/re-fixation of quota. In such cases, the application for licence will be considered only after the grant of quota certificate.

45. *Procedure for calculating value of quota licences.*—(1) A quota licence is given to an established importer as a percentage of the value of imports fixed in the quota certificate in accordance with the Policy Statement in the Import Trade Control Policy Book for the licensing period in question or the relevant public notice. The value of the basic year's imports is halved in order to obtain the corresponding figure for a half yearly period. To this is applied the relevant percentage specified against the item concerned. To illustrate, if the quota percentage for an item is 75 per cent. and the basic imports amount to Rs. 40,000, the importer's entitlement will work out to

$$\text{Rs. } \frac{40,000}{2} \times \frac{75}{100} = \text{Rs. 15,000 and licence will be issued accordingly.}$$

(2) As the distinction between Dollar and Soft Currency areas has since been removed, only one application for quota licence on 'General Area' should be made on the basis of imports in any one financial year as stated above, in respect of articles falling under one serial number or sub-serial number of the I.T.C. Schedule. But in the case of serial numbers or sub-serial numbers for which separate quota licences could be issued during October 1960/March 1961 period on former General Area and former Soft Currency Area respectively, the parties holding two quota certificates in respect of past imports from Dollar and Soft Currency Areas falling in different basic years, will be eligible to receive quota licence on the combined value of the two quota certificates. In order to help the quota holders of small values, it has been decided that in respect of items for which two separate quota licences were issued on the former General and the former Soft Currency Areas respectively in the period October, 1960—March, 1961, the minimum value of quota licence on General Area for the half year would be for double the amount admissible in terms of the provisions made in para. 46 below. This concession of grant of quota licences for double the amount of the minimum value will not be applicable to additional licences granted to established importers.

(3) According to the provisions contained in para. (31) of this Book, an Established Importer will be granted a quota certificate on the basis of the c.i.f. value of his imports of goods falling under the same serial number or sub-serial number from the General Area in a completed financial year selected by him within the prescribed basic period. But an established importer may be already having two separate quota certificates in respect of his past imports from former

Dollar Area and former Soft Currency Area granted prior to April/September, 1961 licensing period. The Established Importers holding two such quota certificates should submit only one application for a quota licence from General Area in the manner indicated below:—

- (i) In the case of items which were licensable from Soft Currency Area only during October 1960/March 1961 licensing period, the Established Importer holding two Quota Certificates on former Dollar Area and former Soft Currency Area will be entitled to receive quota licence on the combined value of both the quota certificates provided the past imports shown in the quota certificates fall in the same financial year within the basic period. But if the imports fall in different basic years, the Established Importer will be free to claim a quota licence only on one quota certificate which may be advantageous to him for the purpose of obtaining a quota licence.
- (ii) In the case of a serial number or sub-serial number for which separate quota licences could be issued on General Area and Soft Currency Area during October 1960/March 1961 licensing period, the Established Importer holding two quota certificates in respect of past imports from former Dollar and former Soft Currency Areas in different basic years, will be eligible to receive quota licence on the combined value of the two quota certificates. In such cases also the established importer should submit only one application for a quota licence.
- (iii) The Established Importers should give a declaration in the following form along with their applications:—

“We possess/do not possess two certificates for serial No./sub-serial No. (to be specified) and declare that we have submitted only one application for this S. No./sub-serial No. for obtaining quota licence.”

46. *Minimum value of licences.*—(1) In cases where the past imports on which quota is claimed exceed the limits mentioned in para (39) above, the minimum value quota/Additional licences will be granted as follows, unless it is otherwise provided elsewhere:—

Quota percentage of articles as given in Col. 4 Section II of the relevant Import Trade Control Policy Book	Minimum value of quota/additional licence.
20% or less	Rs. 500
Over 20% and upto and including 40%	Rs. 750
Over 40%	Rs. 1,000

NOTE:—The minimum value of additional licences will be calculated on the basis of the percentage applicable to quota licences as shown in Col. 4 of the Policy Statement in Section II of the relevant Import Trade Control Policy Book.

(2) In the case of division of quota of an Established Importer on account of dissolution of the partnership, death of the proprietor, partition of the Hindu undivided family or any other reason, the division of quota is allowed to enable the succeeding parties to get their proportionate shares of the approved quota of the original firm. While allowing the division of quota in such cases, none of the succeeding parties will be allowed the concession of obtaining minimum value licences as provided in this para, but the total value of licences admissible to all the succeeding parties, taken together, will be equal to the entitlement of the original firm, had there been no division of quota. The quota certificates granted to such parties will be suitably endorsed in this regard.

47. *Established Importers having more than one office in India.*—

(1) The Head Office and Branches of an established importer concern should obtain separate quota certificates in respect of past imports standing in the name of each of them; and the basic year for the Head Office and all its branches should be one and the same in respect of articles falling under one serial number or sub-serial number of the I.T.C. Schedule as the case may be.

(2) The Head Office and Branches of an established importer should, when applying for licences, append to their applications a certificate as in Appendix (6) to this book, certifying that the Head Office and all the Branches of the concern in India have selected a particular financial year as the common basic year and the quota certificate on the basis of which an import licence is claimed, gives the certified particulars of previous imports in that common basic year.

(3) Under the rules, the clearance of goods imported by a branch of a concern should be allowed only against a licence issued to that particular branch. But a relaxation has been allowed to permit the clearance of goods imported by one branch against a licence issued to another branch. In such cases the Bill of Entry will show the number of the licence and full particulars of the licence-holder and the benefit of past imports for the purpose of quota fixation will be given to the branch holding the licence against which the imports have been effected and not to the branch which cleared the goods.

(4) However, the Head Office or the branch of a concern may make a consolidated application for import licence for any item on the basis of past imports standing in the name of Head Office and all its Branches. Such application should be accompanied by a certificate to the effect that all the other branches of the concern have

not made and will not make any application for the same item during the same licensing period to any other licensing authority. The procedure for submission of applications by such concerns is also given in para (20) of this book.

(5) For the purpose of determining whether the applicants are separate entities or branches, the following will be the criteria:—

- (i) If the concerns are assessed to Income-tax jointly i.e. have a common I.V.C. No., they will be treated as branches or a Head Office and its branches.
- (ii) If the firms are proprietary/partnership concerns and are assessed to income-tax separately and have separate I.V.C. Nos., but are owned by one and the same person or the same set of persons, they will be treated as branches or Head Office and its branches.
- (iii) Limited companies, whether Public or Private with the same set of Directors or otherwise, which are assessed to income-tax separately and have separate I.V.C. Nos. will be treated as separate entities.

48. Issue of Import Licences to Established Importers against applications for back periods.—Although every possible effort is made by the licensing authorities to dispose of all the applications for import licences submitted in a particular licensing period within the currency of the licensing period, there may be cases where the final disposal of the application is delayed for the following reasons:—

- (i) Lachs on the part of the applicant by making incomplete application or by late submission of required documents/information.
- (ii) Delays in the consideration of the case due to unforeseen circumstances beyond the control of the Import Trade Control authorities.

In the type of cases covered by category (i) above, no import licences would be granted against the applications for the back periods. But in the type of cases covered by category (ii), the applications for back periods will be considered subject to availability of foreign exchange ceiling, in the following manner:—

- (a) Where the licensing policy of the item concerned has been radically changed i.e. canalisation of imports through the State Governments or State Trading Corporation or any Government or Semi-Government Organisation, no licences will be granted.
- (b) In the case of other items, licences may be issued against applications pertaining to the immediately preceding licensing period according to the licensing policy applicable

during that period. No licences will, however, be granted against applications pertaining to the periods other than the immediately preceding period; except that in any specific cases of hard-ship, licences may be granted on *ad hoc* basis for permissible items only wherever necessary. Such licences will be subject to such restrictions, limitations or conditions as may be deemed fit by the licensing authority.

RECOGNITION OF NEW ESTABLISHED IMPORTERS, AND GRANT OF QUOTAS

49. (1) An established importer may be (1) an individual, (2) a partnership firm, (3) a karta of a Hindu undivided family in respect of the family business, (4) a limited company, and (5) any association or body of individuals. An established importer cannot transfer his right to obtain licences as an established importer and the quota granted to him for this purpose. Licences are generally granted in the name of the business belonging to the established importer. Hence where there is any change in the ownership of the business, the new owner or owners are not established importers and will not be eligible for grant of licences as established importers.

(2) In public interest and for continuity of any business, however, the port licensing authority concerned, according to the principles stated below, may recognise any person or persons as established importers in respect of any business after examining their connection with the old owners thereof. The newly recognised established importers will then be granted a quota equivalent to either the whole or a part of the old quota. Such newly recognised established importers will be eligible for the grant of licences from the date of their said recognition only. Persons desirous of being so recognised as established importers should apply in the form given in Appendix (7) to this Book and send the documents referred to therein and in these rules with the application in support thereof along with an affidavit giving the history of the firm from its inception or 1st April, 1951 whichever is later. In cases where approval of Import Trade Control Authorities has been obtained for any earlier change in the constitution or ownership of the firm, this fact should be clearly mentioned along with the number and date of the orders conveying such approval. The jurisdiction of the port authorities for dealing with such applications is given in Appendix (8) to this Book. The principles which will be applied for the purpose of the recognition and the granting of the quota are given in the following paragraphs.

NOTE.—“Established Importers holding quotas for items licensed by the Iron and Steel Controller only, should apply to that authority for recognition and grant of quotas”.

50. Where the established importer was an individual and

- (i) has died, his legal heirs on application will be recognised as established importers in respect of their appropriate

shares under the general law, provided it is open to any heir to relinquish his right in favour of any other heir;

- (ii) transfers his business to any other person, the transferee will be recognised as established importer on production of a registered deed executed by both the transferor and the transferee, provided the port licensing authority is satisfied that there was no intention to defeat the transferor's creditors;
- (iii) is adjudicated insolvent, the quota will lapse;
- (iv) admits a partner in the business, the entire quota will be continued to the new owners on application for recognition;
- (v) converts his business into Hindu Undivided Family concern, the entire quota will be continued to the new owners on application for recognition.

51. Where the established importer was a partnership firm, and

- (i) (a) any partner has died and the firm is not dissolved, the remaining partners will be granted the entire quota of the old firm if it is so provided in the partnership agreement or if they produce evidence of relinquishment of right in their favour by the legal heirs of the deceased. Otherwise the share which the deceased possessed in the quota shall be excluded from the quota of the new owners of the business, and the legal heirs will be recognised as established importers in respect of the share of the deceased only as in para 50 (i) above.
- (b) any partner has died and the firm is dissolved, the quota enjoyed by the firm will be distributed among the partners in accordance with their respective shares. The share of the deceased will be granted to his legal heirs.
- (ii) any partner has retired, the remaining partners will be granted the entire quota of the old firm;
 - (a) if it is so provided in the partnership agreement; or
 - (b) if they produce evidence of relinquishment of quota by the retiring partner in their favour; or
 - (c) if the port licensing authority is otherwise satisfied that the retiring partner according to the intention of the parties was not to have any quota on retirement.
- (iii) the business is transferred to any other person, the transferee will be recognised as established importer for the entire quota on production of a registered deed executed by both the transferor and the transferee, provided the port licensing authority is satisfied that there was no intention to defeat the transferor's creditors;

- (iv) the partnership is dissolved, the quota enjoyed by the firm will be distributed between the partners in accordance with their respective shares as provided in the agreement of dissolution;
- (v) any partner is adjudicated insolvent, the entire quota will be granted to the remaining partners on application for recognition if the port licensing authority is satisfied that the insolvency has not caused in law a dissolution of the partnership. Otherwise the insolvent's share of the said entire quota will lapse, and the remaining partners will be granted a quota according to their shares only;
- (vi) a new partner is admitted in the business, the entire quota will be continued to the new owners.

NOTE.—The admission of a minor to the benefits of partnership does not tantamount to the admission of a new partner. However, if the said minor, on attaining majority, elects to become a partner, he will be considered to have been admitted as a new partner in the firm, within the meaning of other sub-paras.

52. Where the established importer was a karta of a Hindu undivided family in respect of the family business, and

- (i) the karta has died or retired, the new karta will be recognised as established importer on production of a consent of the other adult members of the family;
- (ii) there is a partition in the family, any member of the family will be recognised as established importer to the extent of his share indicated in the partition agreement;
- (iii) the family business is transferred, the transferee will be recognised as established importer on production of a registered deed executed by both the transferor and the transferee provided the port licensing authority is satisfied that there was no intention to defeat the transferor's creditors;
- (iv) the family business is converted into a partnership (firm) the partnership (latter concern) will be recognised as an Established Importer on production of an affidavit by all members of the outgoing Hindu Undivided Family to the effect that all the members of the outgoing Hindu Undivided Family have been taken as partners in the incoming partnership concern and that none has been left out who could claim a share in the outgoing Hindu Undivided Family business. It will, however, be open to any member of the outgoing Hindu Undivided Family concern to relinquish his rights in favour of any other member or the incoming partnership concern.

53. Where the established importer was a limited company, and

- (i) transfers its business to any other person, the transferee will be recognised as an established importer on production of a registered deed executed by the transferor and

the transferee, provided the port licensing authority is satisfied that there was no intention to defeat the transferor's creditors;

- (ii) is wound up and no arrangement has been made for the transfer of its business, its quota will lapse;
- (iii) is amalgamated with another limited company, the entire quota will be continued to the new company.

54. Where a quota exists in respect of a business sold by a Custodian of Evacuee Property, the purchaser on application will be recognised as an established importer in respect of the business purchased by him.

55. (i) Subject as provided in sub-paras. (ii) and (iii) below, an established importer shall not transfer his business to which a quota is attached except as a whole and no person will be recognised as an established importer on the basis of a transfer in his favour of only some of the items belonging to the quota of the established importer.

(ii) If an established importer has two or more branches each having a separate quota in respect thereof, then it shall be open to such established importer to transfer the business at any one branch with the entire quota belonging to that branch. This will, however, be allowed subject to the condition that the transferor and the transferee will select a common basic year for the calculation of quotas in respect of similar items pertaining to the business transferred and also furnish an undertaking to this effect in the form of an affidavit duly sworn in before a Magistrate, an Oath Commissioner or a Notary Public or any other authority competent to administer the oath.

(iii) Where due to a change of sole agency in respect of the products of a foreign manufacturer, the old agent agrees to transfer whole or a portion of his quota to the new agent, the transfer/division of quota will be allowed subject to the condition that the transferor and the transferee will select a common basic year for the calculation of quotas in respect of similar items pertaining to the business transferred and also furnish an undertaking to this effect in the form of an affidavit duly sworn in before a Magistrate, an Oath Commissioner or a Notary Public or any other authority competent to administer the oath.

(iv) Where an established importer has also got a manufacturing business, and any one of the items in which he has a quota as an established importer may be used for the purposes of such manufacturing business, it shall be open to him to transfer his business as an established importer except for the items which may be used in the manufacturing business. Where such a transfer takes place the quota in the items which may be used in the manufacturing business cannot be sold or transferred to any other persons. If in such a case, an established importer transfers his manufacturing business, his established importer quota in respect of items which could be used as raw materials in the said manufacturing business, will lapse.

56. (i) The transferee in paras. 50(ii), 51(iii), 52(iii) and 53(i) where he already holds a quota certificate in respect of the same items, shall choose a basic year for the imports to be made after his recognition under the said paragraphs and his quota after such recognition shall be determined by taking into account the imports made in that basic year both by himself and the transferor.

(ii) Where a quota is to be divided and transferred in part to several persons separately as in paras. 50(i), 51(i), 51(iv) and 52(ii), the persons who wish so to be recognised as established importers separately will have to choose a common basic year for calculation of their quotas for the same or similar items on the basis of the business done by the outgoing concern, as a condition precedent to their recognition.

(iii) Where the change in ownership is on account of admission of partner as in paras. 50(iv) and 51(vi) or on account of conversion of the proprietary business into Hindu Undivided Family concern as in para. 50(v) or on account of the change of the 'karta' in a Hindu Undivided Family as in para. 52(i) or on account of amalgamation of two limited companies as in para. 53(iii) then notwithstanding anything contained in para. 49, the new owners on recognition shall be considered established importers from the date of the change itself instead of from the date of the recognition and will be eligible for licences accordingly.

(iv) The amalgamated company as referred to in para. 53 (iii), where both the companies which are amalgamated held quota certificates in respect of the same or similar items, shall choose a basic year for its imports after the amalgamation, and its quota after the amalgamation shall be determined by taking into account the imports made in that basic year by both the companies which are amalgamated.

57. Where an established importer changes only the name of the business which is mentioned as a licensee in the licenses, he should produce an affidavit before the licensing authority concerned about the change of name and that he will not claim any licences in the future in the old name. Where a private limited company becomes a public limited company or *vice-versa*, it should report the fact to the licensing authority concerned. The changes referred to in this paragraph will not affect the continuity of the quota.

58. It is explained that in the following cases no change in the ownership of the business will be held to have taken place for the purposes of these regulations:

- (i) change of directors or share-holders in a public or private limited company;
- (ii) changes in an undivided Hindu family by birth, death or otherwise, except the death or retirement of the karta.

59. Any case which is not strictly covered by any of the above paragraphs will be decided on analogous principles.

60. As the prime object of recognising a new established importer in accordance with these rules is to maintain a continuity of business, the port licensing authority, where he is satisfied that the business of

any applicant for recognition is not a continuation of any previous business, shall refuse the application or pass any other proper order.

61. The above principles will apply to every change not recognised by the Chief Controller of Imports and Exports/port licensing authority that has taken place in the ownership of any business since 1st April, 1951 or the date of establishment of the business or the date of the initial import on the basis of which quota has been established, or the date of the last change which has been recognised by the Chief Controller of Imports/port licensing authority whichever is the latest date. Any person applying for recognition as an established importer will have to establish the interest which he claims and furnish evidence since such latest date. Where, however, the applicant has not taken any benefit of the import/export business or turn-over of the business done by the firm prior to a specified (particular) date, he may furnish an affidavit to that effect.

NOTE.—Where the initial import has been made under a new comer's licence, issued on the basis of turnover of the business, the date of initial import for the purpose of this paragraph will be the date from which the business turnover has been taken into consideration and not the actual date of import.

62. Where an established importer has duly made an application for a licence, but there is a change in the ownership of the business before the licence is granted, the licence will be granted in accordance with the application and for the period for which it has been made in favour of the new owners, if any such are recognised as established importers in respect of the business in accordance with these regulations; provided such new owners make their application for recognition as established importers in accordance with these regulations, with or without the necessary documents, within one month of the date of the change in the ownership.

63. (1) It has been stated in para. 49(2) above that a newly recognised established importer will be eligible for grant of licences from the date of the recognition only. However, at the time of recognition of new established importers and transfer of quotas, it will be open to the licensing authority, in a case in which he is satisfied that the recognition has been delayed on account of circumstances beyond the control of the applicant, to grant licences for any period or periods intervening between the date of the application for recognition and date of the recognition.

(2) The licensing authority may also grant, as a matter of relief only and not as of right, licences for any one period after the date of application provided he is satisfied that the recognition is likely to be delayed on account of circumstances beyond the control of the applicant.

64. Where it is found—

- (i) that the application for recognition contained any false, fraudulent or misleading information;

- (ii) that the evidence tendered by the applicant contained any document which was false or fabricated or had been tampered with;
- (iii) that the applicant is guilty of any corrupt or fraudulent practice in respect of his application;
- (iv) that any recognition or quota or any part thereof has been granted through inadvertance or mistake or due to any fraud or misrepresentation;

the Chief Controller/port licensing authority after giving a reasonable opportunity to the persons recognised as established importers of being heard, may cancel or amend the order of recognition or the quota.

65. The following gives an indication of the evidence which should be produced in support of the application:

Re. para. 50 (i).—Death certificate of the deceased; affidavit of legal heirs to the effect that the deceased has not left any Will and that they are the only legal heirs according to the law of succession by which the deceased was governed at the time of his death; where any heirs have entered into a partnership, their partnership deed; affidavit of heirs relinquishing rights; Will as proved in a Court of Law; or Will along with an affidavit of relinquishment of rights from all the heirs of the deceased who would have inherited his properties had he died intestate.

Re. para. 50 (ii).—The registered deed of transfer of business.

Re. para. 50 (iv).—Partnership deed admitting the new partner.

Re. para. 50 (v).—Affidavit that the proprietor of the outgoing concern has relinquished all his rights and interests in the business in favour of the incoming Hindu Undivided Family concern; affidavit from the Karta of the incoming Hindu Undivided Family concern to the effect that the Hindu Undivided Family concern have taken over the goodwill, assets and quotas of the outgoing proprietary concern.

Re. para. 51 (i).—Partnership deeds of the outgoing and incoming firms; death certificate of the deceased; affidavit of legal heirs to the effect that the deceased has not left any Will and that they are the only legal heirs according to the law of succession by which the deceased was governed at the time of his death; where any heirs have entered into a partnership, their partnership deed; affidavit of heirs relinquishing rights; Will as proved in a Court of Law; or Will along with an affidavit of relinquishment of rights from all the heirs of the deceased who would have inherited his properties had he died intestate.

Re. para. 51 (ii).—The partnership deeds of the outgoing and incoming firms; affidavit of relinquishment of interest by the retiring partner.

Re. para. 51 (iii).—The registered deed of transfer of business. Partnership deeds of transferor and transferee concerns if the latter is a partnership firm; partnership deed of the transferee concern, if any, executed after transfer.

Re. para. 51 (iv).—The deed of dissolution of partnership; partnership deeds of the dissolved and the applicant firm (in case it is a partnership firm).

Re. para. 51 (v).—The partnership deed of the outgoing and incoming concerns (if the latter is a partnership firm); evidence of insolvency and of its not causing dissolution of the firm.

Re. para. 51 (vi).—Partnership deeds of the outgoing and incoming concerns.

Re. para. 52 (i).—The death certificate of the deceased; affidavit of consent to the new karta by the other adult members of the family.

Re. para. 52 (ii).—Partition deed.

Re. para. 52 (iii).—The registered deed of transfer of business.

Re. para. 52 (iv).—Affidavit of all members of the outgoing Hindu Undivided Family to the effect that all the members of the outgoing Hindu Undivided Family have been taken as partners in the incoming partnership concern and that none has been left out who could claim a share in the outgoing Hindu Undivided Family business. In case any member has relinquished his rights, an affidavit of relinquishment from him. Partnership deed of the incoming concern.

Re. para. 53 (i).—The registered deed of transfer of business.

Re. para. 53 (iii).—Order of Court or other evidence of amalgamation.

Re. para. 54.—The sale deed executed by the Custodian; partnership deed of the applicant firm, if it is a partnership concern.

Re. para. 56 (i), (ii) and (iv).—Affidavit of common basic year.

Re. para. 57.—Affidavit as to the change in name and that they will not claim any licences in future in the old name.

Every affidavit shall have been sworn before a Magistrate or an Oath Commissioner or a Notary Public or other authority competent to administer the oath.

An applicant shall also produce such other evidence as is necessary to prove the interest claimed by him or the fulfilment of any condition laid down by these regulations. The applicant shall also furnish such further evidence, if any, as is called for by the port licensing authority.

66. The following further documents should be produced by every applicant and will be taken into account in deciding whether he should be recognised as an established importer in respect of the interest claimed by him.

(i) Extracts relating to the applicant and his predecessors in interest, of the register of the Registrar of firms maintained under Chapter VII of the Partnership Act, 1932. In case the applicant and/or his predecessors in interest are/were not registered, an affidavit to that effect should be furnished.

(ii) Certificate of Income-tax Assessment of the applicant and each of his predecessors in interest from the date mentioned in paragraph 61 in the form given in Annexure I to Appendix (3). A photostat copy thereof or a copy certified by a Magistrate, Oath Commissioner, Income-tax Officer or a Notary Public will also be accepted. A certified or photostat copy of the I.V.C. Memo. containing the I.V.C. Registration/Exemption No. allotted by the licensing authority or Income-tax Assessment Order will also be accepted provided it contains the following information:—

- (a) date of establishment of business;
- (b) status;
- (c) names of partners/proprietor/members/directors; and
- (d) names of branches with their addresses.

(iii) Full page cuttings of advertisements in two newspapers one local in regional language and the other a leading English/Hindi Daily notifying the claim made by the applicant for recognition and the grant of a quota and calling for objections against such claim to be sent to the Licensing Authority to whom the application for recognition as new established importer is made within three weeks from the date of publication of the advertisement. In the case of changes referred to in para. 57, cuttings of advertisements notifying only the change will also be accepted.

(iv) An affidavit on an adequately stamped paper and sworn in before a Magistrate/Oath Commissioner/Notary Public to the effect that neither the set of partners who owns the present reconstituted concern, is at present doing nor the different sets of partners who owned the firm from time to time in the past since its inception/1st April, 1951 were doing import/export business, as such set, in any other name or style during the period they owned this business. If the firm is/was a proprietary/Hindu Undivided Family concern at any stage, similar affidavits in respect of proprietor(s)/Hindu Undivided Family.

(v) In case import/export business is/was being carried on by the proprietor/set of partners/Hindu Undivided Family in any other name or style, an affidavit to the effect that the applicant firm has been selecting in the past and will also select in future a common basic year for calculation of quotas for similar items of import/export with the other such firms.

(vi) List of the applications for licences pending with the licensing authorities.

(vii) Copy of the last order of recognition as new established importer, if any, issued in favour of the firm whose quotas are sought to be transferred.

(viii) Details of the last licence obtained by the firm.

(ix) Application for transfer of quotas as per form given in Appendix (7) to this book along with an affidavit giving history of the firm from its inception or 1-4-1951 whichever is later.

67. Issue of fresh Quota Certificates consequent on transfer/division of quotas: (1) In the event of the recognition of new established importers and grant of quotas, the quota certificates already standing in the name of the business will be amended/endorsed or changed accordingly by the licensing authority who issued the quota certificate, in the manner indicated below:—

- (i) *Change in the name of business.*—The quota certificate will be amended by changing the name of the established importer's business and a suitable endorsement will be made on the quota certificate and its counter-foil giving the No. and date of the order under which the transfer of quota has been allowed by the I.T.C. authority concerned.
- (ii) *Change in the ownership of business.*—The quota certificate and their respective counter-foils standing in the name of the transferor concern will be cancelled and fresh quota certificates will be issued in the name of the transferee concern. A suitable endorsement giving the No. and date of the order under which the transfer of quota has been allowed by the I.T.C. authority concerned, will be made on the old and fresh quota certificates and their counter-foils.
- (iii) *Division of quotas.*—The quota certificates and their counter-foils standing in the name of the dissolved concern will be cancelled and fresh quota certificates will be issued in the name of the succeeding parties concerned according to the share of quota transferred in their name. A suitable endorsement giving the No. and date of the order under which division/transfer has been allowed by the I.T.C. authority concerned will also be made on the old and fresh quota certificates and their counter-foils.
- (iv) *Change in the constitution of the business without change in name.*—The quota certificates and their counter-foils standing in the name of the original concern will be endorsed by giving No. and date of the order under which transfer of quota has been allowed by the I.T.C. authority concerned and the new constitution of the business concern will be indicated therein.

(2) The persons concerned should produce the quota certificate to the licensing authority who issued the same, immediately on receipt of orders regarding recognition of new established importers and grant of quota, for the purpose of the changes etc. as stated above.

CHAPTER IV

ACTUAL USERS

68. *Definition.*—Actual Users are those who require raw materials, accessories, machinery and spare parts, for their own use in an industrial manufacturing process.

69. *Categories of actual users.*—Broadly speaking there are three categories, i.e. (i) Scheduled industries borne on the registers of the Directorate General of Technical Development, (ii) Scheduled industries not borne on the registers of the Directorate General of Technical Development and non-scheduled industries other than Small Scale Industries, and (iii) Small Scale Industries.

70. *Procedure for submission of applications for import by Scheduled industries borne on the registers of the Directorate General of Technical Development.*—(1) Actual Users borne on the registers of the Directorate General of Technical Development for a particular industry, should, in respect of goods required for that industry, apply to the Chief Controller of Imports and Exports, New Delhi, through the Directorate General of Technical Development (Co-ordination) in the prescribed form. These applications will be forwarded by the Directorate General with their recommendations to the Chief Controller of Imports and Exports, New Delhi, for necessary action.

(2) The general instructions contained in para. (78) of this book, or the instructions contained in the relevant Import Trade Control Policy Book regarding submission of applications should be followed. In addition thereto the following procedure should be observed in submitting applications for import licences:—

- (i) In addition to the information furnished against column B(i) of the prescribed form of application (Form 'C'), the applicants should, in the covering letter of their applications, indicate precisely:—
 - (a) the name of the particular industry for which the goods are to be imported; and
 - (b) the total c.i.f. value in rupees.
- (ii) The envelopes should be superscribed 'Import applications' and addressed to the Assistant Director (Co-ordination II) Directorate General of Technical Development, New Delhi
- (iii) The applicants should ensure that the applications are posted in time so as to reach the Directorate General of Technical Development by the due date prescribed in the relevant Import Trade Control Policy Book. Applications sent by post and received in the Directorate General of Technical Development after the due date are likely to be summarily rejected.

- (iv) The applicants should enclose 10 copies of the list showing the details of items sought to be imported together with their value, quantity and I.T.C. Classification.
- (v) The bulk applications for raw materials should not include spare parts of machinery. Separate applications should be made for spare parts of machinery.
- (vi) The factory number allotted by the Directorate General of Technical Development to the Scheduled Unit should be given in the relevant column in the application form.
- (vii) Requests for increase in the quantity or value of the licence or for any addition in the items licensed, should also be routed through the Directorate General of Technical Development.

71. *Basis of Licensing.*—In the case of industries borne on the registers of the Directorate General of Technical Development, licences will normally be issued on the basis of the recommendation of the Directorate General of Technical Development.

72. *Scheduled Industries not borne on the registers of the Directorate General of Technical Development and non-scheduled industries other than Small Scale Industries.*—(1) Actual Users who are (i) not borne on the registers of Directorate General of Technical Development or (ii) borne on the registers of Directorate General of Technical Development but not for the particular industry for which the application for licence is proposed to be made, should submit their applications in the prescribed form (Form 'B') to the licensing authority shown against the item concerned in Col. 3 of the Policy statement given in Section II of the relevant Import Trade Control Policy Book.

(2) The general procedure and instructions to be observed by the applicants for submission of applications for licences are contained in Para (78) of this book.

(3) The form of the essentiality certificate to be furnished by actual users of this category is given in Appendix (9) to this book. The officers who are authorised to issue essentiality certificate in respect of the requirements of various industries are indicated below:—

Industry	Certifying authority
(a) Textile Industry, other than jute hemp and silk and Textile En- gineering Industry.	Textile Commissioner, Bombay.
(b) Tea Industry	Chairman, Tea Board, Calcutta.
(c) Coffee Industry	Chairman, Indian Coffee Board,
(d) Sugar Industry	Director (Sugar Technical) Directorate of Sugar and Vanaspathi, Ministry of Food and Agriculture, New Delhi.
(e) Rubber Estate	Chairman, Indian Rubber Board, Kottayam.

Industry	Certifying authority
(f) Petroleum Industry	Ministry of Petroleum and Chemicals, New Delhi.
(g) Producers of iron and steel and re-rolling mills, excluding re-rolling mills etc., which do not require the permission of Iron and Steel Controller as per Govt. of India, former Min. of Steel, Mines and Fuel (Deptt. of Iron and Steel) Notification No. SC(A)-1(28)/59, dated the 4th June, 1960.	Iron and Steel Controller, Calcutta.
(h) Collieries	Coal Controller, Calcutta.
(i) Electricity undertakings	Central Water and Power Commission (Power Wing) Government of India Bikaner House, Shahjahan Road, New Delhi.
(j) Silk Industry	Central Silk Board.
(k) Handloom Industry	State Directors of Handlooms.
(l) Vanaspathi Industry	Chief Director, Directorate of Sugar and Vanaspathi, Ministry of Food and Agriculture, New Delhi.
(m) Coir Industry	Chairman, Coir Board, Ernakulam.
(n) Shipping Industry/Shipping Companies. (In respect of sea going vessels). The requirements in respect of inland steam and motor vessels will be certified by the Principal Officer, Mercantile Marine Department of the area concerned.	Director General of Shipping, Bombay.
(o) Fruits and Vegetable preservation Industry.	Directorate of Marketing and Inspection, Ministry of Food and Agriculture, Department of Agriculture, Nagpur.
(p) Jute and Rope Industry	Jute Commissioner, Calcutta.
(q) Mines other than Collieries . . .	Director, Indian Bureau of Mines, Nagpur
(r) Canning, freezing and other fishery industries.	State Director of Fisheries.
(s) Pharmaceutical Industry	State Drugs Control authorities [as given in Appendix (10) to this book.]
(t) Salt Industry in the private sector	Salt Commissioner, Jaipur.
(u) Industries other than those mentioned above.	Industries Commissioner or the State Director of Industries, as the case may be, of the State where the factory is located.

73. *Basis of Licensing.*—(1) The applicants are advised to submit applications for their requirements duly certified by the certifying authority concerned. The licences for raw materials will, ordinarily, be issued subject to the availability of foreign exchange, on the basis of certified requirements for twelve months consumption; but the certified requirements will be scrutinised by the licensing authority

and an appropriate reduction will, where necessary, be made after taking into account:—

- (i) the stock held on the date of application and the expected arrivals against licences in hand;
- (ii) the quantum of import likely to be available through the commercial channels;
- (iii) the quantum of similar goods or substitutes likely to be available from indigenous sources; and
- (iv) the past imports of the item in question by the applicant;
- (v) the actual production during the past licensing period and the estimated production for the period in question;
- (vi) any fall in production on account of circumstances such as break-down of machinery, labour relations, want of funds etc.

(2) It has been represented that for items in respect of which A.U. provision has been made in the Import Trade Control Policy Book, the licences should be issued for the certified requirements in full without making any reduction. It may be clarified that in some cases the goods of certain specific types/grades/quality are being manufactured indigenously but there is need only for import of special varieties of goods to meet specialised end-uses. There may be other cases in which the goods manufactured indigenously are not sufficient to cope with the domestic demand and in such cases the import has to be allowed to meet the short-fall between the domestic demand and the availability from internal sources. Therefore in all such cases, it may not be possible to issue A.U. licences for the full certified requirements and licensing has to be done keeping in view the provisions of sub-para (1) above.

(3) A.U. licences may be refused where the licensing authority is satisfied that the goods required by the applicant for the particular end use have become available from indigenous sources/commercial channels.

(4) Applications from Actual Users who are applying for the first time may be considered on merits if specially recommended by the certifying authority concerned, provided the unit has already imported/purchased locally and installed the machinery. The issue of licences will depend upon the essentiality of the end-product and the availability of foreign exchange ceiling. The Defence and export oriented industries will be given preference.

(5) The applications will ordinarily be considered for items which are shown as licensable to Actual Users in the relevant Import Trade Control Policy, but applications for other items specially recommended by the certifying authority may also be considered on merits.

SMALL SCALE INDUSTRIES

74. Definition of Small Scale Industries.—Small Scale Industries will include all industrial units with a capital investment of not more than Rs. 5 lakhs irrespective of the number of persons employed. Capital investment for the purpose of this definition will mean investment in fixed assets like land, buildings, machinery and equipment.

Where units are functioning in rented premises, the capital valuation of such buildings shall be taken into account in assessing the prescribed limit of Rs. 5 lakhs, but workers' housing and welfare amenities shall be excluded from the capital estimate for this purpose. When calculating the value of machinery and equipment, the original price paid by the owner, irrespective of whether it was new machinery and equipment or secondhand, will be taken.

75. Submission of Applications.—(1) Actual Users applications from Small Scale Industries for the import of raw materials, machinery and equipment should be made to the appropriate licensing authority shown in Col. 3 of the Policy statement given in Section II of the relevant Import Trade Control Policy Book, in the prescribed form of application. The applicants should mark their applications with capital letters "SSI" in order to facilitate quick disposal.

(2) The general procedure and instructions to be observed by the applicants for submission of applications for licences are contained in para. (78) of this book.

(3) The form of the Essentiality Certificate to be furnished by Actual Users of this category is given in Appendix (11) to this book. This form may be used in the case of Small Scale Industries whose requirements of raw materials, machinery or components do not exceed Rs. one lakh. In cases where the requirements of such units for raw materials and components exceed Rs. one lakh, the form of the Essentiality Certificate given in Appendix (9) to this book, should be used. In respect of requirements of machinery and capital equipment exceeding Rs. one lakh, the form of Essentiality Certificate to be used is given in Appendix (12) to this book.

(4) The Small Scale Industries should obtain Essentiality Certificates in the prescribed forms from the State Director of Industries except that in the case of Textile Engineering industries, Pharmaceutical industries and Handloom industries, the essentiality certificates issued by the Textile Commissioner, Bombay, the State Drugs Control authorities (as given in Appendix 10 to this book) and the State Directors of Handlooms respectively, should be furnished.

(5) In the case of industries in the Small Scale Sector, the applications for capital equipment including machine tools of permissible varieties upto Rs. 5,000 should be made to the Port Licensing authorities concerned. Applications for capital equipment for values in excess of Rs. 5,000 should be made to the Chief Controller of Imports and Exports, New Delhi. The applications for banned type of machine tools and those for permissible types of machine tools for values exceeding Rs. 5,000 and below Rs. one lakh, should be made to the Development Officer (Tools) in the Directorate General of Technical Development. There is no specified date by which these applications should be submitted.

(6) Applications for testing and measuring instruments required for replacement of the existing machinery, modernisation or as additional plant or machinery will be dealt with as and when received by the Port Licensing authorities and will be treated as capital equipment. But applications for such instruments for values exceeding Rs. 5,000 will also be dealt with by the Port Licensing authorities.

76. *Basis of Licensing*—(1) The applicants are advised to submit applications for licences for their requirements duly certified by the certifying authority concerned. The basis of licensing as given in sub-paras (1), (2), (3), (4) and (5) of para 73 of this book will also apply to Small Scale Industries

(2) While there is a considerable development of Small Scale Industries all over the country resulting in increased demand for raw materials/components and capital equipments, the overall commercial imports have had to be reduced in view of the acute difficulty of foreign exchange. Therefore, both the certifying as well as the licensing authorities keep in view the following points while dealing with applications for capital equipment.—

- (i) Industries with an export potential or those contributing to import substitution will be given priority
- (ii) Industries engaged in the manufacture of non-essential items and those involving heavy imports of raw materials will be discouraged.
- (iii) New industries for the manufacture of items for which adequate manufacturing capacity exists in the country will also be discouraged.

77. *Registration of Small Scale Industries*—(1) A Scheme for the registration of Small Scale Industries was introduced in the year 1960. Under the Scheme, all the Small Scale Industries consuming imported raw materials and components, non-ferrous metals and Steel items were required to get themselves registered with the respective State Directors of Industries by the 31st March, 1961.

(2) The registration number allotted to the Small Scale Industries under this Scheme is required to be quoted by them in their applications for import licences or for allotment of non-ferrous metal and steel. The State Director of Industries or other certifying authority, will also quote the registration numbers in the essentiality certificates issued to Small Scale Industrial Units

(3) S.S.I. Units should quote registration number in their applications for import licences. Otherwise the applications are liable to be summarily rejected. In the case of S.S.I. Units applying for the first time, the licensing authority may give them a reasonable time—say 30 days—to furnish the Registration Number.

78. *General Procedure/Instructions for guidance of actual user applicants—Scheduled industries, non-Scheduled industries including Small Scale Industries*—(1) All actual users should follow the following procedure/instructions in applying for licences:—

- (1) Application should be made in the prescribed form duly filled in, within the due date for submission of such applications as given in the relevant Import Trade Control Policy Book, and should be accompanied by:—
 - (a) essentiality certificate from the certifying authority.
 - (b) Treasury/Bank receipt showing the payment of application fee on the value applied for,

- (c) any other document/information considered necessary or required in terms of the provisions of this book or the relevant Import Trade Control Policy Book or any Public Notice/Trade Notice issued in this regard.

NOTE:—Incomplete or time-barred applications are liable to be summarily rejected. The licensing authority, however, may in deserving cases, entertain any application from an actual user, in the Small Scale Sector, received or completed within 14 days from the date prescribed for submission of applications to the licensing authority, if such authority is satisfied that the delay was caused by circumstances beyond the control of the applicant. Similarly, for the same reasons, the certifying authority may also entertain applications for essentiality certificates from such units received within 14 days from the date prescribed for submission of applications for essentiality certificates to the certifying authorities. The grace period of 14 days allowed in such cases cannot be claimed as a matter of right.

- (ii) Actual user applications will not be entertained and should not be made for raw materials etc. required for the manufacture of new items unless a licence for such manufacture has been obtained under the Industries (Development and Regulation) Act 1951 as may be required. When making applications, the actual users should certify that the raw materials etc. for which they are applying, are not intended to be utilised in the manufacture of new items for which a licence has not yet been obtained under the aforesaid Act.
- (iii) The actual users should furnish complete information/data regarding:—
 - (a) Stocks held on the date of the application,
 - (b) expected arrivals against licences in hand,
 - (c) their actual imports of the articles applied for during the last one year/two years against A.U. licences granted to them in the past,
 - (d) full details of the commodities applied for and justification for their import *vis-a-vis* use of indigenous substitutes,
 - (e) detailed end-use of the raw materials/commodities applied for,
 - (f) whether the applicants have been licensed under the Industries (Development and Regulation) Act, 1951 and are eligible to receive licences as a Scheduled Industry on the recommendations of the Directorate General of Technical Development. If so, the licence No. may be quoted,
 - (g) efforts, if any, made for procuring these or similar goods from the internal market or indigenous manufacturers and the result thereof. (The firms whose names are given in the Hand-Books of indigenous

Manufacturers published separately by the Directorate General of Technical Development should be contacted for the supply of articles manufactured by them).

NOTE:—The above details in the application form are essential to enable the licensing authority to decide (i) whether the licence applied for should be granted or not, and (ii) if so, the quantity and value to be licensed. Incomplete applications which do not show the above details are also likely to be rejected.

- (iv) The I.T.C. Classification in respect of the goods applied for should invariably be indicated against the description of of goods in the application.
- (v) In cases where the essentiality certificate obtained by the applicant from the certifying authority is attached with the application or is submitted to the licensing authority separately, the essentiality certificate should bear the following endorsement duly signed by the applicant:—
“this essentiality certificate has been obtained by me from the ————

(Name of the certifying authority).

and the contents of the certificate have not been changed or altered.

Signature of the applicant”.

- (vi) The actual users can make consolidated applications to cover their requirements of raw materials falling under different serial numbers of the I.T.C. Schedule; but they should give the exact serial number or sub-serial number of the I.T.C. Schedule against each item in the consolidated list. However, in the case of industries (including Small Scale Industries) not borne on the Books of the Directorate General of Technical Development, the consolidated applications should cover only such raw materials as are licensable by the port licensing authority concerned; and, in respect of items centralised with a particular licensing authority, separate applications should be made to the centralised authority concerned. Bulk licences covering raw materials/components falling under different serial numbers of the I.T.C. Schedule will be issued to such units by the licensing authority concerned as far as possible, specifying the quantity and/or value in respect of each individual item, to enable the importer to avail of the benefit contained in para (84) of this book.

79. Conditions of Actual Users' licences.—(1) Licences granted to Scheduled industries will be issued subject to the following condition endorsed on them:—

“This licence is issued subject to the condition that all items of goods imported under it shall be used in the licence holder's factory, or may be processed in the factory of another manufacturing unit but no portion thereof will be sold to any other party. The goods so processed in another factory will, however, be utilised in the manufacturing

processes undertaken by the Scheduled unit to whom the licence has been issued”.

(2) The licences granted to non-scheduled industries (including Small Scale Industries) will be endorsed with the following condition:—

“This licence is issued subject to the condition that all items of goods imported under it shall be used only in the licence holder's factory at the address shown in the Essentiality Certificate issued by the recommending authority, against which the licence is issued and no portion thereof will be utilised by the licensee for a unit/purpose other than the one for which the licence in question is issued, or will be sold or be permitted to be utilised by any other party”.

(3) The above conditions will be in addition to any other conditions imposed or deemed to have been imposed on each licence under Clause 5 of the Imports (Control) Order 1955 dated 7th December 1955.

80. *Applications for essentiality certificates.*—It is observed that the Actual Users submit their applications for essentiality certificates to the certifying authorities just before the last date prescribed in the relevant Import Trade Control Policy Book (for submission of applications for essentiality certificates to the certifying authorities concerned), with the result that there is a heavy rush and the issue of essentiality certificates is delayed. The Actual Users are, therefore, advised to submit their applications for the grant of essentiality certificates to the certifying authorities well in advance of the last date prescribed. Applications for grant of essentiality certificates submitted thereafter will not qualify for the grant of Actual User licences. The Actual Users should try to secure the essentiality certificates from the certifying authorities and submit the applications for import licences complete in all respects well in advance of the last date. In case where the application for essentiality certificate has been made before the last prescribed date but the certificate has not been received, the Actual User should submit his import applications with a copy of the application made in time for the grant of essentiality certificate to the Licensing Authority. Thereafter, the essentiality certificate, when received, should be submitted to the licensing authority. It shall be incumbent upon the applicant to furnish all documents/information to the certifying authority in time for the grant of essentiality certificate because the delay in the issue of essentiality certificate will adversely affect the consideration of his application for licence.

81. *Issue of Essentiality Certificates by certifying authorities.*—The certifying authorities issue essentiality certificates upto a maximum of four copies in each case depending upon the number of licensing authorities concerned with the licensing of raw materials required in an individual case. Applicants will be required to file the original certificate or one of the copies issued by the certifying authority with their first application to a licensing authority but in the case of other applications submitted to the same licensing authority they may furnish photostat copies of the certificate and these will be accepted.

82. *Issue of Bulk actual user licences to co-operative Societies/Associations for the requirements of their members.*—(1) A licensing authority may consider an application for the grant of actual user licence for raw materials/components from an Industrial Co-operative Society for import of goods required by the individual members of the Society in the manufacturing process in their respective factories/units.

(2) For the purpose of this provision, an industrial Co-operative Society will mean any Co-operative Society in the Industrial Sector registered under the Co-operative Societies Act applicable to the State where the Society is situated and includes Co-operative Societies undertaking production and sale activities or service activities as well as federal societies.

(3) Under the provisions of this paragraph the eligible Societies can make consolidated applications for Actual User licences to the licensing authorities concerned, in the prescribed manner, and with the following documents:—

- (i) list of members/member units with the requirements of each unit;
- (ii) essentiality certificate issued by the certifying authority concerned;
- (iii) Income-tax Verification Registration or Exemption Number of each member;
- (iv) an undertaking by the Society to the effect that the goods imported under the licence shall be distributed only to its members whose names and addresses are given in the list attached to the application for licence, and they shall utilise the goods in question in their respective factories and that they shall abide by the terms and conditions subject to which a licence is granted;
- (v) an undertaking from each member of the Society to the effect that the goods supplied to him shall be used by him only in his factory and no portion thereof shall be sold to or be permitted to be utilised by any other party.

(4) A licence granted under these provisions will be issued subject to the following condition, apart from any other conditions imposed or deemed to have been imposed on the licence under Clause 5 of the Imports (Control) Order, 1955, dated 7th December, 1955:—

“The goods imported under this licence shall be used only in the factories of the bonafide members of the licensee Society and no portion thereof shall be sold to or permitted to be utilised by any other party”.

(5) The licensing authority may also take a bond from the licensee for complying with the terms and condition of the licence granted or the undertaking furnished by the applicant.

(6) Under the provisions of this paragraph, applications for the grant of licences may also be considered from the Associations of actual users for the import of raw materials/components for use by

the individual members of the Association in their respective factories, provided such Associations are recognised for the grant of such licences in terms of the relevant policy in force. If such Associations have any genuine difficulty in producing the Income-tax Verification Registration/Exemption Number in respect of their individual members, the licensing authority may dispose of the application for licences without insisting on the production of the Income-tax Verification Registration/Exemption Number for individual members, and the licence, if otherwise due, may be granted advising the Association to produce the I.V.C. Numbers by the end of the licensing period concerned or within 6 months from the date of issue of the licence, whichever is later.

83. *Grant of Actual User licences to Government Departments/Projects.*—Grant of A.U. licences to Central and State Government departments, Development Projects and Central Government Controlled Joint Stock Companies will be considered only if the application for licence is sponsored by the appropriate Administrative Ministry of the Government of India who certify in clear terms in the sanction for release of foreign exchange that clearance from indigenous angle has been obtained from the Directorate General of Technical Development and that the concurrence of the Ministry of Finance (Deptt. of Economic Affairs) Government of India for expenditure of foreign exchange has been obtained.

84. *Import of raw materials/components and spare parts against actual user licences granted to industries in the Scheduled and non-Scheduled sectors including Small Scale Industries.*—(1) With a view to give a greater flexibility to the industry in the use of the foreign exchange released to it, the holders of actual users licences for raw materials/components may, in their discretion, utilise their licences in the manner indicated below :—

- (a) the licensee may import more or less of any items of raw materials/components covered by his licence subject to the condition that the excess in respect of any individual item will not exceed 25% of the quantitative/value limit(s), if indicated in the licence itself for the import of various items;
 - (b) the licensee may import permissible spare parts and small tools required for the purpose of his factory, provided that the value of such imports will not exceed 25% of the value of the licence; but banned items of spare parts and small tools can not be imported under this provision;
 - (c) the facilities indicated in sub-paras (a) and (b) above can be availed of only within the face value of the licence.
- (2) For the purpose of application of the provisions of sub-para. (1) of this para, the following points are clarified :—
- (i) these provisions will be applicable to actual user licences for raw materials/components only and not to licences for machinery and for spare parts (A.U. licences for components will be those, where certain components are allowed to be imported for the assembly of the finished product);

- (ii) the facility provided in sub-para. (1) (b) of this para. with be available even in cases where the licence does not cover more than one item;
 - (iii) the permissible spare parts are those required for servicing, maintenance and replacement purposes of the plant, machinery and equipment installed in the licence holder's factory. But spare parts of machinery which are specified elsewhere in the Import Trade Control Policy Book, such as ball bearings, bolts and nuts etc., will not be allowed to be imported.
 - (iv) the permissible small tools are those which are classified under serial number 20 of Part II of the I.T.C. Schedule and are shown as licensable to actual users in the relevant Import Trade Control Policy Book excluding those specified in Appendix 15 of the said Policy Book.
- (3) The provisions of this paragraph will not be applicable to licences issued by the Iron and Steel Control Organisation.
- (4) The actual user licences will automatically be valid for utilisation in terms of the provisions of this paragraph and it will not be necessary for the licence holders to get their licences specially endorsed for this purpose.

85. *Grant of Emergency licences for spare parts.*—(1) Applications for the grant of licences for the import of 'Emergency' spare parts will also be considered from Actual Users of all categories, as and when received and such applications (including those for the import of emergency spare parts for machine tools) will be dealt with by licensing authorities at ports, in terms of the relevant policy in force.

(2) The facility to import emergency spare parts can also be availed of by the State owned Corporations/Organisations/Undertakings which may require such spare parts on an emergency basis and fulfil the requirements laid down in terms of the relevant policy in force.

86. *Issue of Import licences to actual users for back periods.*—As a rule, no retrospective effect will be given to Actual Users' requirements and they will not be entitled to licences against the applications for back periods where the final disposal of the application is delayed or the parties have come up in appeal against the rejection of the application for a back period. It has been represented that the strict application of this rule will lead to certain difficulties. Therefore, in cases of genuine difficulty, the licensing authorities may grant a licence to cover the applicant's requirements for the immediately preceding half year subject to the availability of foreign exchange. But no licences will be granted in such cases for items the import of which is banned or canalised through any agency approved by Government.

87. *Misuse of A.U. Licences.*—(1) It has been noticed that a number of Actual Users divert to other channels/uses, the raw materials or components etc. licensed to them for use in their factories. Attention of the actual users is drawn to the condition which is endorsed upon each licence to the effect that the goods shall be utilised in the

licence holder's factory only for the purpose for which they are imported, and no portion thereof shall be sold to or permitted to be utilised by any other party. Steps are being taken to ensure that this condition is strictly complied with. If any licensee infringes the aforesaid condition, no further assistance will be given to him for the import of goods in the category of actual users, without prejudice to any other action which may be taken against him under the Imports & Exports (Control) Act, 1947 and the Imports (Control) Order 1955, dated 7th December, 1955.

(2) Similarly, where any imported goods are allotted to an actual user through the State Trading Corporation of India or any other recognised agency for use in the actual user's factory, it will not be open to the actual user concerned to divert such goods to other channels/uses or to allow any other party to utilise the said goods. If any actual user is found to have mis-used the goods so allotted to him, no further assistance will be given to him or any allotment made to him in future, without prejudice to any other action which may be taken against him under the Imports & Exports (Control) Act, 1947 and the Order made thereunder:—

88. *Changes in the name, constitution or ownership of actual user's business.*—(1) No approval of the Import Control authorities is necessary for effecting a change in the name, constitution or ownership of an actual user's business.

(2) However, the import licences being non-transferable except under and in accordance with the written permission of the licensing authority which granted the licence or of any other person empowered in this behalf by such authority, and in view of the specific conditions regarding the use of the imported materials as imposed on the licences granted to actual users, the following principles will apply in the event of the changes mentioned in sub-para (1) above:—

(a) *Change of name.*—Where an import licence has been issued to an actual user and before the importation of the goods against the said licence, there is a change in the name of the licensee actual user's business without any change in the ownership of factory for which the said licence was issued, the licence holder can utilise the licence and import the goods for use in the factory in accordance with the conditions of the licence. But the change in name should be intimated immediately by the actual user licensee to the licensing authority concerned whether such change takes place before or after the importation of the goods.

(b) *Change in constitution or ownership.*—(1) where an import licence has been issued to an actual user and, before the importation of the goods against the said licence, there is a change in the constitution/ownership of the licensee actual user's business, the reconstituted concern or the new owner of the business, as the case may be, not being the licence-holder, cannot operate upon the said licence unless the licence is also transferred in his favour. In

such cases, the old and the new owners of the factory for which the licence was issued, should make a joint application to the licensing authority concerned for permission to transfer the licence in favour of the new owner in terms of sub-clause 5(3) (i) of the Imports (Control) Order 1955 dated 7th December, 1955. The application should be supported by documentary evidence showing the transfer of the business/factory and the particulars of the established importer quotas, if any, possessed by the new owner. The licensing authority will consider the application for transfer of licence and grant the transfer in favour of the new owner by amending the name of the licence holder in the licence provided the new owner of the factory is not suspended/debarred from the grant of the licence in question under the provisions of the Imports Control (Order) 1955 dated 7th December, 1955 and is otherwise eligible to the licence under para 202 of this book. After the written permission of the licensing authority, the new owner will be entitled to operate upon the licence.

- (ii) If the change in constitution/ownership referred to in sub-para (i) above takes place after the importation of the goods against the said licence, the imported goods become part of the assets of the factory and they should be transferred by the licence-holder along with the factory to the new owner under intimation to the licensing authority concerned so that the licensing authority may be in a position to ensure proper utilisation of the goods in question in the factory for which the import licence was issued.

- ‘c) *Division of business.*—(i) Where an import licence has been granted to an actual user, and before the importation of the goods against the said licence, there is a division of the factory amongst the partners of the business, and the name of the business/factory as appearing in the licence is retained by one of the succeeding parties or none of them is allowed to use such name, the succeeding parties, not being the licence holders, cannot operate upon the said licence. In such cases also, joint application by all the succeeding parties should be made to the licensing authority concerned for re-issue of separate licences in their favour, in lieu of the original licence, in proportion to the portion of the factory taken over by each succeeding party, supported by documentary evidence showing the division of the business/factory and particulars of the established importer quotas, if any, possessed by the succeeding parties. The licensing authority will consider the application in the same manner as in the cases referred to in sub-para b(i) above and licences, if admissible, will be issued to the succeeding parties for the proportionate values as indicated above. The original licence surrendered by the parties will be retained by the licensing authority and cancelled.

- (ii) If the division of the factory as referred to in sub-para (i) above, takes place after the importation of the goods against the said licence, the imported goods become part of the assets of the factory and they should be divided by the succeeding parties amongst themselves proportionate to the portion of the factory taken over by them, under intimation to the licensing authority concerned so that the licensing authority may be in a position to ensure proper utilisation of the imported goods by each of the succeeding units in the factory taken over by them from the original concern.

(3) In the case of scheduled industries borne on the registers of the Directorate General of Technical Development, the applications in pursuance of the provisions of sub-para (2) above should be made to the licensing authority concerned through the Directorate General of Technical Development (Coordination Division) New Delhi.

89. *Issue of Actual User licences to units engaged in re-packing of goods in small containers.*—Those who obtain supplies of drugs and medicines in bulk and are engaged in the process of repacking and rebottling the drugs and medicines in small containers, are not covered by the definition of actual users as given in this book as they are not engaged in an industrial production. However, in terms of the Drugs Act 1940, the process of manufacture includes the process of repacking or rebottling of drugs. Also, persons or firms engaged in such activities are required to possess a licence under the said Act, and are also required to test the products either in their own laboratories or other approved laboratories. In view of this, persons engaged in the repacking and rebottling of drugs and medicines in small containers may be treated as actual users and limited facilities within the overall import policy may be given to them by considering their applications for the import of materials required by them for re-packing and re-bottling, on production of essentiality certificates from the certifying authority concerned. This facility will, however, be given only to repackers of drugs and medicines who have a licence under the Drugs Act 1940, for the manufacture of re-packing of drugs.

90. *Import of spare parts by new manufacturers of machinery against licences for component parts held by them.*—Manufacturers/assemblers who have a manufacturing programme for complete machinery can, if they so desire, use a part of the licence for component parts held by them, for the import of spare parts for which there is no indigenous angle and/or for which the manufacturers/assemblers have no phased programme of manufacture, provided they do not require any extra foreign exchange for their manufacturing programme. Such of the assemblers who wish to avail of this facility should approach the Chief Controller of Imports and Exports, New Delhi (Headquarters Licensing Division) for necessary endorsement on their valid licences for component parts, giving details of spare parts sought to be imported and the value thereof.

91. *Import of Proto-types*.—(1) Applications for the import of Prototypes particularly for the small scale industries, wherever necessary, will be considered on the recommendation of the certifying authority concerned.

(2) Such requests from scheduled industries will be considered on the recommendations of the Directorate General of Technical Development.

CHAPTER V

IMPORT LICENSING OF CAPITAL GOODS, HEAVY ELECTRICAL PLANT AND MACHINE TOOLS**(A) Capital Goods Scheme**

92. *Definition.*—(1) “Capital Goods”, as envisaged in this scheme, comprise such items of Plant and Machinery as are required for new installations, or replacements or for the expansion of existing projects or subsidiaries thereof, provided the aggregate value of any single unit sought to be imported is not less than Rs. 1,00,000 (f.o.b.).

(2) The value limitation does not, however, apply to:—

- (i) Replacement of the existing machinery, modernisation and Additional Plant and machinery when required to be imported for a project for which the original licences were issued under the C.G. Scheme.
- (ii) All Cotton Textile Machinery and Plant and component parts thereof of the description given in Appendix (13) to this book and falling under S. Nos. 4 and 5 of Part III of the I.T.C. Schedule.

(3) Broadly speaking, the C.G. Scheme applies, subject to the remarks in sub-para (2) above, to the following goods classified under Parts II, III, V and VI of the I.T.C. Schedule as detailed below:—

Part II (a) S. No. 36—All goods included in S. Nos. 36(1), 36(2), 36(3), 36(4) and 36(5).

(b) S. No. 37(1)—All Jute and Hemp textile machinery covered by this S. No. comprising principally:—

- (i) Grey Winding Frames.
- (ii) Colour Winding Frames.
- (iii) Ordinary Warping Machines with Creels.
- (iv) High Speed Warping Machines with Cone Creels.
- (v) High Speed Cone Winders.
- (vi) High Speed Bobbin Winders.
- (vii) Sizing Machines.
- (viii) Drawing in frames, looms, tape looms, sewing thread ball making machines, cumblis finishing machinery.

(c) S. No. 37(2)—Component parts of machinery covered by 37(1).

Part III(a).—All Textile machinery and plant and component parts thereof (other than cotton textile machinery) of the following description:—

- (i) S. No. 4—All goods included in S. Nos. 4(1), 4(2), 4(3), 4(4) and 4(5).

- (ii) S. No. 5(1)—Looms, tape looms, wool carding machines, wool spinning machines, silk looms, silk throwing and reeling machines, silk twisting machines.

(b) All cotton textile machinery and plant and hoisery knitting machinery and spares and component parts thereof of the description given in Appendix (13) to this book falling under S. Nos. 4 and 5 of Part III.

Part V.—All goods included in S. Nos. 65(1), 65(2), 65(3), 65(4) and 65(5).

Part VI.—All items included therein.

93. Applicants for the import of Capital Goods required for the expansion of an industrial undertaking or for the setting up of a new industrial establishment for the manufacture of any stores mentioned in the First Schedule to the Industries (Development and Regulation) Act, 1951, as amended, should first apply to the Ministry of Industry, New Delhi for a licence under the Act for the proposed expansion/installation of the undertaking in question.

94. *Instances where Industrial Licences are required.*—The following categories require licences under the various provisions of the Act :—

- (i) New undertaking pertaining to the scheduled industries provided they employ 50 or more workers, working with aid of power; or 100 or more workers, working without the aid of power and having fixed assets, i.e. investment in land, building and machinery of more than Rs. 25 lakhs in value.
- (ii) Existing undertakings which propose to effect 'substantial expansion' as defined in the Act provided the value of total fixed assets would exceed Rs. 25 lakhs, after expansion.
- (iii) The manufacture of 'new article' as defined in the Act, in an existing industrial undertaking provided the value of the total fixed assets would exceed Rs. 25 lakhs after the proposed manufacture.
- (iv) Carrying on the business of existing undertakings which for one reason or another has not been registered or licensed so far under the Industries (Development and Regulation) Act, 1951, or in respect of which, the registration has been revoked, provided the value of fixed assets is more than Rs. 25 lakhs and the number of workers is 50/100 or more as the case may be.
- (v) Shifting of existing industrial undertakings from one location to another provided the value of fixed assets is more than Rs. 25 lakhs and the number of workers is 50/100 or more as the case may be.

Industrial undertakings relating the undermentioned industries will, however, require a licence irrespective of the value of their fixed assets :—

- (i) Coal falling under '(1) Coal, lignite, coke and their derivatives' under the heading '2. Fuels';

- (ii) Textiles, falling under the heading '23. Textiles (including those dyed, printed or otherwise processed)' manufactured, produced or processed on power-looms;
- (iii) Roller flour milling falling under '(4) Flour' under the heading '27. Food processing industries';
- (iv) (a) Oil seed crushing falling under '(1) Vegetable oils, including solvent extracted oils' and
(b) Vanaspati falling under '(2) Vanaspati' under the heading '28. Vegetable Oils and Vanaspati';
- (v) Leather falling under the heading '31. Leather, Leather Goods and Pickers'; and
- (vi) Matches falling under '(3) Matches' under the heading '36. Timber Products'.

95. *Applications for capital goods.*—(1) With a view to expediting the disposal of applications for import licences for Capital Goods, a separate Division has been created in the office of the Chief Controller of Imports and Exports, New Delhi.

(2) Applications for import licences for Capital Goods should be made, in triplicate, in the application form prescribed in the relevant Import Trade Control Policy Book (form 'E') together with five copies of list of goods proposed to be imported, to the following licensing authorities:—

- (i) Joint Chief Controller of Imports and Exports (Capital Goods), Bombay:—For all Cotton Textile Machinery and hosiery knitting Machinery and spares thereof, of the description given in Appendix (13) to this book as also all Textile Machinery and spares (except for Jute and Hemp) falling under S. Nos. 4(1), 4(2), 4(3), 4(4), 4(5) and those specified against S. No. 5(1) of Part III under sub-para 92(3) above.
- (ii) Joint Chief Controller of Imports and Exports (Capital Goods), Calcutta:—For Jute and Hemp Machinery and spares, falling under S. Nos. 36 and 37 of Part II, and plant and machinery connected with Coal Mining and Tea Industry.
- (iii) Chief Controller of Imports and Exports (Capital Goods Division), New Delhi:—For all other machinery and plant coming within the purview of the Capital Goods Scheme. However, applications for values in excess of (i) Rs. 2.0 lakhs for import from countries other than U.S.A. and Rupee Payment Area, (ii) Rs. 5.0 lakhs for import from U.S.A. and (iii) Rs. 20.0 lakhs for import from Rupee Payment Area, should be submitted in the prescribed form and manner to the Deputy Director (Co-ordination), Directorate General of Technical Development, Udyog Bhavan, New Delhi.
- (iv) Notwithstanding anything contained in sub-paras (i), (ii) and (iii) above, all applications for import of capital goods required for setting up additional capacity in respect of certain industries categorised as 'Key' industries [mention-

ed in Appendix (14) to this book], should be addressed to the Coordination and Licensing Progress Section (CLP Section) in the Ministry of Industry, New Delhi with ten spare copies.

(3) The applications should be accompanied by

- (i) I.V.C. Regn./Exemption Number,
- (ii) Treasury Receipt towards the payment of requisite application fee, and
- (iii) any other document/information considered necessary or required in terms of the policy in force.

96. *Submission of full particulars and description of Capital Goods.*—Applicants are requested to give full particulars and description of the plant required, indicating particularly whether it is “modern and up-to-date” or not. Import of such items of machinery and plant as are manufactured within the country will not be allowed. Importers of Capital Goods are requested to make it clear to their foreign suppliers at the out-set that they (Foreign Suppliers) will be required to give a guarantee in regard to the performance of the equipment in question notwithstanding the fact that a part of the plant (which will, of course, be of proved efficiency) may have to be purchased, from indigenous sources.

97. *Important hints to applicants of capital goods.*—It is of utmost importance that:—

- (a) Applicants for import licences for capital goods should clearly specify the country or countries from which imports are to be made. It is not enough to indicate a currency area in vague terms.
- (b) Applicants should indicate alternative sources of supply in their being given an import licence against credits available to the Government they would be in a position to find any of the alternatives indicated.
- (c) Applicants should clearly indicate whether in the event of their being given an import licence against credits available to the Government they would be in a position to find the rupee resources to take advantage of the licence.

98. *Import of Second-hand machinery.*—Applications for import of second-hand or re-conditioned machinery should always be accompanied by a certificate by a firm of consulting Engineers in the country of origin, indicating the age of the machinery, its present condition and expected life. If possible, a photograph of the machinery proposed to be imported should be furnished.

99. *Clearance in principle for the entire requirements of foreign exchange to be obtained at the time of initial application.*—It is important that importers secure clearance in principle for the entire requirements of foreign exchange for setting up a new plant or completing a substantial expansion, at the time of initial application. Failure to comply with this requirement will hinder the provision of the necessary foreign exchange and may result in rejection of applications. After a clearance in principle has been secured there is no objection to import applications being submitted in instalments as and when licences are required.

100. *Import of Textile Machinery other than for Jute and Hemp.*—Importers of textile machinery, other than Jute and Hemp may note that:—

- (i) Applications for productive machinery as indicated in Appendix (13) will not be entertained from applicants who are not consumers or promoters having approved programme.
- (ii) Applications for 'non-productive machinery' will not be entertained from applicants other than the actual users
- (iii) Applications for hosiery and knitting machines will be considered from Actual Users in terms of the policy laid down in the relevant Import Trade Control Policy Book.

101. *Exceptions.*—An exception to the above broad principles of licensing of licensing of Capital Goods is, however, made in the case of:—

- (a) Complete Ring Frames;
- (b) Spare parts of Ring Frames, including spinning spindles, fluted roller and tin rollers;
- (c) Power looms;
- (d) Carding Engines;
- (e) Certain accessories and millstores required by cotton textile industry.

The licensing policy in respect of these items is announced in the Import Trade Control Policy Book or by separate Public Notices from time to time.

102. *Machinery for stock and sale not licensed under Capital Goods Scheme.*—Applications for the Import of machinery for stock and sale will not be licensed under the Capital Goods Scheme.

103. As a general rule, applications for import licences for substantial values of plant and machinery which are required for the setting up of new projects or for substantial expansion will be considered only against one or more of the following acceptable means of financing:—

- (a) Long term foreign investment in the capital of the project;
- (b) Foreign exchange loans for the project from the Industrial Credit and Investment Corporation of India, Bombay, and the Industrial Finance Corporation, New Delhi;
- (c) Long term foreign exchange loans from financing institutions abroad, such as the U.S. Economic Development Loan Fund, the U.S. Export-Import Bank, the Commonwealth Development Finance Corporation, London and the International Finance Corporation, Washington.
- (d) Imports financed by the National Small Industries Corporation of India, New Delhi, under their hire-purchase scheme for small scale industries;

- (e) Loans to the Government of India from foreign governments or financial institutions against which cash licences can be granted; and
- (f) Trade and Payments agreements between the Government of India and foreign countries against which cash licences can be granted.

104. Applications for import licences will be considered having due regard to the priority of the schemes and the method of financing proposed. As a rule, the source of financing the imports will be limited to the alternatives indicated in paragraph 103 above. If the scheme is not considered to be of sufficient priority and/or if funds available with the Government cannot be allocated, import applications in respect of such schemes will be rejected.

105. *Import licensing of capital goods for export orientated industries.*—Applications for the import of plant and equipment required for the setting up of an industrial unit primarily devoted for developing the country's export will be given special priority. Likewise, import of plant and equipment required for the expansion of capacity of existing units in order to build up export markets will also be given special consideration. In such cases, applicants should provide full information regarding the exports that they propose to undertake. Details should also be furnished of the sources of supply of equipment and of the financing arrangements proposed, it being understood that there will be continuing export earnings from the project apart from the financing of the cost of the equipment and raw materials.

106. *Negotiations of loans by importers with foreign financing institutions require prior approval in principle of Government.*—Direct negotiations of loans by importers with foreign financing institutions require the prior approval in principle of Government. Such requests should be addressed to the Deputy Chief Controller of Imports and Exports (Capital Goods), Capital Goods Division, Office of the Chief Controller of Imports and Exports, New Delhi, indicating the value of the equipment, the purpose for which it will be imported, the proposed country or countries of import, the value of imported raw materials/components that will be required annually after going into production, and the particulars of the manufacturing licence, if any, under the Industries (Development and Regulation) Act that may be held for the project.

107. Authorisation to negotiate direct with the U.S. Economic Development Loan Fund and the U.S. Export-Import Bank will ordinarily be granted only where import of equipment worth more than Rs. 1.0 crore is involved. Direct negotiations for foreign exchange loans from certain other financial institutions abroad such as the Commonwealth Development Finance Corporation, London, and International Finance Corporation, Washington, may be permitted for smaller amounts also.

108. *Imports against free resources on cash or deferred payment basis.*—When the outlay on imported plant and equipment is relatively small, and is likely to be covered by savings or earnings of foreign exchange (having due regard to the existing level of imports/exports) as a result of the implementation of the scheme within a period of three years, it may be possible to consider applications, to a limited extent, for licensing against free resources on cash basis, or on deferred payment basis. In general, Government do not propose to encourage import on short or medium term suppliers' credit, and deferred payment arrangements will only be considered in exceptional cases when the Government are satisfied that the savings of foreign exchange resulting from the output of the plant and machinery proposed to be imported will be more than sufficient to meet the payment liability. Similarly, such arrangements may be approved if there is a satisfactory guarantee for the exports of goods for the production of which the plant is to be imported.

109. *Special form for issue of licences for Capital Goods.*—Licences issued for Capital Goods will bear the distinct mark "CG" and will be issued in special Form, to distinguish them from other import licences.

110. *Importers to study carefully the conditions attached to import licences particularly when issued against loan programmes.*—Importers are advised to study carefully the conditions attached to import licences particularly when these are issued against loan programmes. Non-compliance with the conditions endorsed on licences will render the licence invalid.

111. *Revalidation of Capital Goods licences.*—Licences for Capital Goods will be revalidated in terms of the provisions made in chapter (VIII) of this book unless otherwise specified on the licence.

(B)—Scheme for Licensing Heavy Electrical Plant

112. *Scope of the Scheme.*—The Scheme extends to electric plant and machinery as well as cognate equipment and materials essential for power plant (either for generation or transformation of electric power) required for factories. This scheme, however, does not apply to such electrical equipment as is required by domestic consumers, industrial concerns or laboratories for purposes other than specific electric power projects.

(2) The scheme applies to the following S. Nos. of the I.T.C. Schedule subject to the condition that the value of the goods for any single project or group of connected projects, required to be imported, is not less than Rs. 25,000 (f.o.b.):—

Part II.—Serial Nos. 30, 32, 33A, 33B, 34, 36, 38, 39, 42, 43, 45, 46A and 48.

Part III.—Serial No. 4.

Part V.—Serial No. 65.

113. *Submission of applications.*—(1) Applications for Heavy Electrical Plant should be made in the application form prescribed in the relevant Import Trade Control Policy Book (Form 'E'). Applicants

requiring H.E.P. Licences should, as far as possible, consolidate their requirements and submit the applications, in triplicate, to the Chief Controller of Imports and Exports (C.G. Division), New Delhi, through the Central Water and Power Commission (Power Wing), Government of India.

(2) The applications should be accompanied by (i) I.V.C. Regn/Exemption Number, (ii) Treasury Receipt towards the payment of requisite application fee, and (iii) any other document/information considered necessary or required in terms of the policy in force.

114. *Special form of issue of licences.*—Licences for Heavy Electrical Plant will bear the distinctive mark 'H.E.P.' and will be issued in the same special form as in the case of licences for Capital Goods.

115. *Validity period of licences.*—The initial period of validity and procedure for extension of H.E.P. licences will be the same as in the case of licences for capital goods as indicated in paragraph 111 above.

116. With regard to revalidation and amendment of c.i.f. value of H.E.P. licences the applicants are advised that requests for such amendments and revalidation may be routed through the Central Water and Power Commission to the Chief Controller of Imports and Exports (C.G. Division).

(C)—Machine Tools.

117. *Two Categories of Machine Tools.*—Machine Tools, falling under Part VI of the Import Trade Control Schedule are divided into two main categories viz.,

(a) those falling within the definition of capital goods (*vide* para 92 above); and

(b) Others.

118. *Procedure in respect of machine tools coming under the category of capital goods.*—The rules and procedure applicable to capital goods as set out in earlier paragraphs will apply to Machine Tools falling within the category (a) above.

119. *Procedure in respect of other machine tools.*—The import licensing procedures for Machine Tools of category (b) which do not come under the Capital Goods Scheme is contained in the paragraphs below.

120. *Submission of applications.*—(1) Applications will be entertained from Established Importers and Actual Users as per the policy announced in the relevant Import Trade Control Policy Book. These should be submitted in quadruplicate, in the application form prescribed in the relevant Import Trade Control Policy Book (Form 'G'), to the Development Officer (Tools), Tools Directorate in the Directorate General of Technical Development, New Delhi. The applicants may obtain a copy of the Code Book from the Development Officer (Tools) to enable them to fill in the Code No. in column 14 provided in the application form. The applications should be accompanied by

(i) I.V.C. Regn/Exemption Number, (ii) Treasury Receipt showing payment of the requisite amount of application fee and (iii) any other information/document considered necessary or required in terms of the policy in force.

(2) In this connection, the attention of the actual users in the Small Scale Sector is also drawn to the provisions contained in paragraph 75(5) of this book.

121. Import licences will not normally be granted to actual users for machine tools which are manufactured in India. For the list of such machine tools, the actual users should consult the relevant Import Trade Control Policy Book.

122 *Full description of machine tools to be furnished.*—All applications whether by Established Importers or by Actual Users should contain, as far as possible, full description of the machine tools desired to be imported, together with the c.i.f. value of each item separately. Descriptive catalogues if available, should also be sent along with the application.

123 *Permissible types of machine tools.*—For the permissible types of machine tools importers should consult the Import Trade Control Policy Book for the relevant period.

124 *Import of spare parts against licences for machine tools.*—Licences for machine tools will also be valid for import of such of their spares as are specified in the licence.

125 *Spares for banned machine tools.*—Grants of licences for spares of such machine tools as are banned will be at the discretion of the Development Officer (Tools).

126 *Licences to meet specific orders placed by D. G. (S.&D.) etc.*—Licences will continue to be granted to meet specific orders placed by the Director General of Supplies and Disposals and Government Railways and N.S.I.C. (Pvt.) Ltd.

127 *Validity of licences*—The period of validity of import licences for Machine Tools will be as indicated in Chapter (VIII) of this book.

128 *Limiting factors.*—The limiting factor for licences for machine tools will be both value and quantity. Even where the aggregate value of licence remains the same but the value of the individual machine differs by more than the normally permitted variation, necessary amendments have to be obtained from the licensing authority before shipment.

CHAPTER VI

SPECIAL LICENSING SCHEMES

129. *Equipments for Irrigation Projects.*—(1) The Scheme for the import of machinery and equipment required by irrigation projects will apply to import applications of an aggregate value of Rs. 25,000 or more in respect of any project or subsidiary thereof.

(2) Subject to the provisions of sub-para (1) above, the scheme will apply to the following goods classifiable under Parts I, II and V of the I.T.C. Schedule:—

Part I.—Serial No. 17—Cast iron and Steel Valves and similar controls for Water Works, Irrigation and Hydro Electric Schemes.

Serial No. 20—Fabricated Gates for Dams and Barrages.

Part II.—Serial No. 9—Iron and Steel articles and controls including Cocks and Taps for Dams and Barrages.

Serial No. 36—All goods included in Serial Nos. 36(1), 36(2), 36(3), 36(4) and 36(5)—required for Irrigation Hydro-Electric Schemes.

Part V.—Serial No. 65—All goods falling under Serial Nos. 65(1), 65(2), 65(3), 65(4) and 65(5) when required for Irrigation Projects.

Serial No. 92—Water Meters and Measuring Instruments required for Water Works, Irrigation and Hydro-Electric Projects.

(3) The applications for equipments and machinery for irrigation projects will be considered in the same way as the applications for Capital Goods. An applicant should submit one consolidated application in respect of all his requirements instead of making piecemeal applications. The applications should be made in duplicate in the application form prescribed for Capital Goods and Heavy Electrical Plant as given in the relevant Import Trade Control Policy Book (*i.e.*, Form 'E'), to the Chief Controller of Imports and Exports, New Delhi, through the Central Water and Power Commission, New Delhi.

(4) The application should be accompanied by I.V.C. Regn/Exemption Number, the Treasury Receipt showing payment of application fee and any other document relied upon by the applicant or considered necessary in terms of the policy in force.

(5) The period of validity of the licences granted under this scheme has been indicated in Chapter VIII of this book.

130. *Government Contracts.—Stores Ordered by the Director General of Supplies and Disposals.*—(1) Special arrangements have been made to deal with applications for import licences by persons or firms, etc. to cover goods in respect of which a contract has been placed on them by the Director General of Supplies and Disposals.

(2) In such cases the applicant should obtain from the appropriate Director of Supplies a certificate showing *inter alia*:—

- (i) The number and date of the contract.
- (ii) Description of goods.
- (iii) Contractual value of goods.
- (iv) C.I.F. value of goods.
- (v) Expected period of delivery.
- (vi) Name of the indenter.

(3) On receipt of the above-mentioned certificate the applicant should make out a single application in respect of each contract, covering all goods under Parts I, II, III, IV and V of the I.T.C. Schedule (other than controlled categories of Iron and Steel) in the form prescribed for established importers (i.e. form 'A') as given in the relevant Import Trade Control Policy Book. The words 'Established Importers' at the head of the application form should, however, be struck off and replaced by words 'D.G.S.&D. CONTRACTS' in red ink, and clause 7 of the form should also be deleted. The application should be forwarded to the Chief Controller of Imports (Licensing Division, D.G.S.&D. Contracts), New Delhi, attaching the certificate from the Director of Supplies thereto in original.

(4) The applications should be accompanied by I.V.C. Regn/Exemption Number, the Treasury Receipt showing payment of application fee and any other document relied upon by the applicant or considered necessary in terms of the policy in force.

(5) The period of validity of the licences issued under these provisions is indicated in Chapter (VIII) of this book.

(6) The applications will be entertained as and when received during the course of a licensing period.

(7) Licences issued on the basis of such applications will not deprive the importer of his normal quota entitlement, if any, nor will any benefit be given to him for any imports made under this scheme in calculating the importer's quota.

131. *Government Contracts—Stores ordered by State Railways.*—

(1) Special arrangements have also been made to deal with applications for import licences by persons or firms, etc. to cover orders placed on them by State Railways.

(2) The applicant should make out a single application in respect of each contract covering all the goods under Parts I, II, III, IV and V of the I.T.C. Schedule (other than Controlled categories of Iron and Steel) in the form prescribed for Established Importers (i.e. Form 'A') as given in the relevant Import Trade Control Policy Book. The words 'Established Importers' at the head of the application form should, however, be struck off and replaced by the words 'Railway

Contracts' in red ink, and clause 7 of the form should also be deleted. The application should be forwarded to the Chief Controller of Imports and Exports (Licensing Division, Railway Contracts) through the Railway Liaison Officer, New Delhi.

(3) The provisions made in sub-paras (4) (5), (6) and (7) of paragraph 130 above will also be applicable in the case of Railway Contracts.

132. *Import requirements of Universities, Educational Institutions, Research Organisations Technical/Technological Institutions and Hospitals.*—(1) All applications for the grant of import licences in respect of the requirements of Universities, Educational Institutions, Research Organisations, Technical/Technological Institutions and Hospitals should be made to the Chief Controller of Imports and Exports, New Delhi.

(2) Applications from departments and constituent colleges of Universities and Institutions affiliated thereto (excluding Medical and agricultural institutions) should be routed through the University Grants Commission, New Delhi, and those from technical/technological institutions through the Ministry of Education and Scientific Research, New Delhi. The applications from Hospitals and Medical Colleges should be made through the Health Department of the Central or State Government concerned. The applications from agricultural institutions should be routed through the Ministry of Food and Agriculture (Department of Agriculture), New Delhi.

(3) *Separate application for every item—Documents to be submitted along with the applications.*—A separate application should be made for goods classifiable under any particular serial/sub-serial number of the I.T.C. Schedule, on the form prescribed for actual users as given in the relevant Import Trade Control Policy Book. Each application should be accompanied by the following:—

(A) Seven copies of the list of stores covered by the application. Quantity and value of each article should be given separately.

(B) A statement indicating:—

- (i) The department/course/subject, etc. or other purpose, if any, for which the stores covered by the application are required;
- (ii) The details of the same stores already possessed by the institution;
- (iii) Particulars (No., date and value) of each licence issued to the institution for the same stores during the last three licensing period and the extent of its utilisation;
- (iv) Whether the stores covered by the application are required for the replacement of old stores or for expansion;
- (v) Whether the stores covered by the application are required for the implementation of any scheme (a brief summary to be given of the scheme, if any) sanctioned by any authority (to be named); and
- (vi) Whether and why the import of the stores covered by the application (a) is considered urgent and inescapable and (b) cannot be postponed.

(C) A statement giving particulars (No. and date, description of stores and value) of the applications submitted by the institution during the licensing period covered by the application.

(D) A statement giving the following additional information:—

By Educational Institutions.—(i) Whether the institution is recognised by any competent body such as a University or a Board and if so, the name of the University or Board, etc., concerned;

(ii) Whether the institution forms a department or a constituent or affiliated institution of University;

(iii) Whether the institution is managed by Government or some Corporation/Municipality etc. (to be named); and if managed by Government, whether it is managed by the Central or the State Government;

(iv) The number of students on roll;

(v) The post-graduate courses conducted;

(vi) The number of students undergoing each post-graduate course; and

(vii) Particulars of grants, if any, received from Central or State Government or the University Grants Commission or any other body (to be named).

By Hospitals.—(i) Whether the institution is managed by Government or some Corporation/Municipality, etc. (to be named); and if managed by Government, whether it is managed by the Central or the State Government;

(ii) Number of wards and beds in each ward;

(iii) Particulars of Grants, if any, received from the Central or the State Government or any other body (to be named).

By Research Institutions.—(i) Whether the institution is managed by Government or some Corporation/Municipality, etc. (to be named); and if managed by Government, whether it is managed by the Central or the State Government;

(ii) Whether the institution forms a department or a constituent or affiliated institution;

(iii) Number of research workers on roll;

(iv) Subject on which research is conducted; and

(v) Particulars of grants, if any, received from the Central or the State Government or the University Grants Commission or any other body (to be named).

(4) The production of I.V.C. Regn/Exemption Number has been dispensed with in the case of applications for licences for goods required for actual use in educational or charitable institutions which are exempt from payment of income tax. Also in terms of the Imports (Control) Order 1955, the educational, charitable or missionary institutions when applying for import of goods required for their own consumption are exempt from payment of application fee.

(5) The applications under these provisions should be made within the last date prescribed for submission of such applications in the relevant Import Trade Control Policy Book. The licensing authority
4 G. of I. Ext.—6.

may, however, condone reasonable delay in the submission of such applications on merits.

133. *Imports from Afghanistan.*—Imports from Afghanistan are regulated in terms of the Trade Agreements entered into between the Governments of India and Afghanistan from time to time and imports from Afghanistan will be allowed as per policy in force at the relevant time.

134. *Imports from Nepal.*—Imports and exports of goods from and to Nepal are at present allowed without import and export control restrictions, provided the goods are either the produce of or manufactured in the respective countries.

135. *Imports by Traders in Jammu and Kashmir.*—Established Importers in the State of Jammu and Kashmir are, at present, allowed a weightage of 50% over their quota entitlements for permissible items. They are, however, required to (i) bring the goods imported by them into the State of Jammu and Kashmir and (ii) their arrival is reported to the Director of Supplies, Jammu and Kashmir, and (iii) they are not to be put up for sale without physical verification by the Director of Supplies.

136. *Licensing under Trade Arrangements.*—The Government of India have signed Trade Agreements with a number of foreign countries. These Trade Agreements are revised from time to time. In addition to the Trade Agreements, special payments and trade arrangements have also been worked out with respect to some of the countries. Licences under the special payments and trade arrangements with these particular countries are issued from time to time. For particulars, the importers are advised to contact the Chief Controller of Imports as well as the Ministry of International Trade, New Delhi.

137. *Licensing to Consumers' Co-operative Societies.*—(1) In order to give facility to the Consumers' Co-operative Societies to import certain essential items required for use by their individual members, the applications for the grant of import licences will be considered in terms of the policy in force from time to time from such of the Societies who fulfil the conditions laid down in the relevant Import Trade Control Policy Book.

(2) Eligible Co-operative Societies should submit their applications for licences in the prescribed form, complete in all respect, to the port licensing authorities concerned within the date prescribed in the relevant Import Trade Control Policy Book for submission of such applications, and accompanied by:—

- (i) Treasury/bank receipt showing payment of application fee on the value applied for;
- (ii) any other document/information considered necessary or required in terms of the provisions of this book or the relevant Import Trade Control Policy Book or any Public Notice/Trade Notice issued in this regard;

(iii) A statement giving the undermentioned particulars duly certified by the Registrar of Cooperative Societies of the State concerned:—

- (i) Share Capital,
- (ii) Working capital,
- (iii) Number of members,
- (iv) Sales turnover during the last one Cooperative year,
- (v) Items in which the Society deals in,
- (vi) Arrangements for financing the imports,
- (vii) Balance sheet for the last one year.

N.B.—Incomplete applications or those received or completed after the prescribed date will be liable to be rejected.

(3) Applications will be considered in terms of the relevant policy in force and licences for reasonable values, wherever admissible, depending upon the availability of ceiling, will be granted.

(4) The Consumers' Cooperative Societies will not be eligible to establish quotas on the basis of import made against licences issued to them under this provision. Therefore, the licences issued to them will be marked 'NQQ' (not qualifying for quota).

(5) The following condition will be endorsed by the licensing authority on the licences granted to Consumers' Cooperative Societies, apart from any other conditions imposed or deemed to have been imposed on such licences under Clause 5 of the Imports (Control) Order, 1955 dated 7-12-1955:—

"This licence is issued subject to the condition that the goods imported shall be sold only to members of the Society and not to anybody else".

However, the licensing authority may exclude from the scope of the operation of the above condition an item which is permitted to be sold to non-members in terms of the relevant policy in force.

(6) The Societies applying for licences under these provisions can make either a consolidated application in respect of the permissible items or separate application for the import of each individual item; and the licensing authority will, if otherwise ~~advisable~~, issue consolidated licence with value limitation indicated in respect of each individual item, or separate licences on each individual application, as the case may be.

138. *Export Promotion Scheme*.—As a measure of export promotion, exporters of certain goods (whether manufacturer-exporters or merchant exporters) are given special import facilities under the Export Promotion Schemes in force. The procedures and other details in regard to such schemes are given in the relevant Import Trade Control Policy Book.

CHAPTER VII

REPLACEMENT LICENCES

139. Replacement licences or Customs Clearance Permits for the import of goods to replace those which are short-supplied, short-landed, lost or damaged in transit or those found defective or otherwise unfit for use after import, will be granted in terms of the provisions contained in the succeeding paragraphs,

140. *Short-shipment, short-landing or loss in transit before import.*—Where the import of goods would have been covered by a valid licence if they had in fact arrived, but are short-supplied, short-landed or lost in transit prior to actual imports, and are detected at the time of clearance through Customs, no fresh licence would be issued to cover the goods supplied in replacement thereof, as the original licence will be available for their import. If the original licence had expired, it may be revalidated to facilitate the import of such goods.

141. *After import—loss or damage.*—(1) In cases where goods are lost or damaged after import, replacement licences may be issued by the licensing authority; but this provision will be applicable only when the loss or damage is caused on the docks after landing or at any subsequent stage upto the arrival of the goods at the inland destination, provided the goods in question were covered by insurance policy at the time of such loss or damage. In such cases, the application for replacement licence may be considered on production of the following documents:—

- (i) The insurance survey certificate issued by the Lloyds Agents or any other authorised insurance surveyors to the effect that the goods were actually lost or damaged while on the docks after landing or in transit as the case may be.
- (ii) A certificate from the insurance company to the effect that they have accepted the claim for payment of Rupees _____ (the amount to be specified) as the cost of the goods lost or damaged.

N.B.—Where it is confirmed by the insurers or their local agents that separate insurance survey has not been conducted and that the claim has been settled on the basis of survey conducted by the steamer agents or on the basis of the certificate of examination by the Customs or the certificate of non-delivery issued by the Port Trust Authorities, the licensing authority may accept such certificate/survey report issued by the steamer agents or Customs or Port Trust Authorities in lieu of insurance survey certificate. However, if the survey report or the certificate produced by the applicant does not give specific details in regard to the loss or damage claimed, he may be asked to produce additional evidence such as correspondence exchanged with the carriers, insurers, port trust, etc.

(2) In cases where the insurer is an Indian Company or a foreign Company established in India and the payment of the claim is made to the Importer in India, the replacement licences under sub-para. (1) above will be issued subject to the following conditions:—

(i) The damaged/defective goods shall be surrendered to the Customs authorities for such action as they consider necessary;

(ii) The licence should not be used for remittance abroad except with the prior approval of the Reserve Bank of India.

(3) In a case involving loss or damage of imported goods as covered by sub-para. (1) above, if the insurance company has paid the claim to the suppliers abroad and the importer has produced original evidence of acceptance of the foreign suppliers to replace the lost or damaged goods free of charge, together with the survey report or certificate as mentioned in sub-para. (1) above, the licensing authority may issue a Customs Clearance Permit (without Exchange Control copy) for the import of the replacement consignment. Such Customs Clearance Permit will be issued subject to the condition that the damaged goods shall be returned to the foreign suppliers/underwriters or surrendered to the Customs authorities for such action as they consider necessary.

(4) It has been represented that the insurer is entitled to the damaged goods on settlement of the claim on total loss basis and the condition on import licence for return of damaged goods to the foreign supplier or their surrender to the Customs authorities for disposal denies his title to the damaged goods and puts him to a loss. In such cases the insurer will be entitled to the salvage and he can demand the salvage price of the damaged goods from the insured who wants the goods for surrender to the Customs authorities in accordance with the condition of the import licence.

142. Goods found defective or unfit for use after import.—(1) Goods supplied free of charge in replacement of those previously imported and found defective or unfit for use would be allowed to be cleared under Open General Licence No. IV provided the defect in the goods previously imported, is noticed before the clearance of the goods from the Customs and such defect is brought to the notice of the Customs authorities and it is proved to the satisfaction of the Customs authorities that the goods so found defective or otherwise unfit for use are actually returned to the manufacturer or consignor abroad, or are destroyed or surrendered to or vested in Government for such action as they may deem fit, within three months from the date of clearance from the Customs.

(2) In cases involving import of goods found defective or unfit for use after import, which are not covered by Open General Licence No. IV, the licensing authority may consider the application for replacement licence or Customs Clearance Permit on production of the following documents:—

(i) The insurance survey certificate issued by the Lloyds Agents or any other authorised insurance surveyors to the effect that the goods were actually received in defective condition and required replacement.

- (ii) Original evidence of acceptance by suppliers abroad to replace the defective goods free of charge.

N.B.—In cases where foreign exchange is required to cover further insurance and freight, the amount for which the Exchange Control Copy of the licence should be made valid should be clearly indicated in the application for replacement licence.

(3) A replacement licence issued in terms of the provision of sub-para (2) of this paragraph, will be subject to the condition that the damaged goods or goods found otherwise unfit for use will be returned to the suppliers abroad/underwriters or surrendered to Customs authorities for such action as they consider necessary. Also, the Exchange Control Copy of the licence, if issued in such cases will be valid for the remittance of foreign exchange required to cover further insurance and freight only in respect of goods to be imported against the licence.

143. *Replacement of machinery items.*—(1) In the case of machinery items, the defect in any part of the machine or its breakage cannot, in certain cases, be ascertained unless the machine or its part is installed (i.e., bolted to the ground) and put in operation. In such cases and also in cases involving replacement of goods which are rendered defective after use during the guarantee period, if the supplier agrees to replace the defective or broken machine or its part free of charge, the application for replacement licence may be considered on production of the following documents:—

- (i) Original evidence of acceptance by the foreign supplier to replace the goods in question free of charge.
- (ii) A certificate from a qualifying engineer to the effect that the particular machine or part thereof is considered unfit for use in the main plant etc. for which it was intended.
- (iii) Original evidence showing the date of previous importation of machinery and the period of guarantee given by the foreign manufacturer/supplier.

(2) The Exchange Control copy of the replacement licence, if issued, in terms of the provision of this paragraph will be valid for the remittance of foreign exchange required to cover further insurance and freight only.

144. Applications for replacement licences or Customs Clearance Permits in cases which are not covered by the provisions of paragraphs 140, 141, 142 and 143 above, will be considered on analogous principles on merits by the licensing authorities concerned.

145. *The procedure for submission of applications for replacement licences.*—(1) Application for replacement licence or Customs Clearance Permit should be made, complete in all respects, in the form prescribed for the category of importer to which the applicant belongs, and should be sent to the licensing authority who had issued

the licence against which the goods were originally imported. The application should be accompanied by:—

- (i) treasury receipt showing the amount of application fee paid on the value applied for.
- (ii) documentary evidence considered necessary or required in terms of provision of this book or the relevant Import Trade Control Policy Book or any Public Notice/Trade Notice issued in this regard.

(2) The application for licence should be made within a period of 30 days after the short-shipment short-landing or loss in transit is noticed. In cases, where the importer has made a claim for the cost of such goods on the insurance company, he should make an application for replacement licence within a period of 30 days after the claim has been accepted or settled by the insurance company.

(3) Applications received after the prescribed period of 30 days will be liable to be rejected. But in deserving cases, the licensing authority may consider such applications if received within 90 days instead of 30 days.

(4) Application for replacement of machinery or any part thereof should be made within a period of 90 days from the date of arrival of the machinery in the applicants' factory or godown, except in cases covered by the guarantee given by the foreign supplier/manufacturer for replacement of goods rendered defective after use.

146. *Replacement licences not to issue in certain cases.*—Normally no replacement licences or Customs Clearance Permits will be issued in terms of these provisions in cases where, at the time of issue of the licence, the goods are not licensable to the class of importer concerned according to the import policy in force. But in cases of genuine hardship, the licensing authority may issue the licence, if otherwise admissible, even in respect of goods which are not licensable to the class of importer concerned at the time of issue of the licence provided the original import was made during the same licensing period in which the replacement licence is issued or during the immediately proceeding period.

CHAPTER VIII

PERIOD OF VALIDITY AND REVALIDATION OF LICENCES

147. *Period of Validity.*—(1) The period of validity of an import licence varies from item to item and the exact period in the case of each item is specified in column 5 of Section II of the relevant Import Trade Control Policy Book. Unless otherwise provided, an import licence is valid for a period of 12 months.

(2) In the case of consolidated licences for raw materials issued to actual users, the validity period of the licence will be 12 months irrespective of the validity period of the individual items as shown in the relevant Import Trade Control Policy Book.

(3) The period of validity as given in the Import Trade Control Policy Book, as stated above, relates to licences granted on six-monthly basis. The annual licences, where granted, will also have an initial validity period applicable to six-monthly licences, and, within the initial validity period, the licensee should utilise the first 50 per cent. of the value of the annual licence. At the time of endorsement of the annual licence for validation of the second half of the licence in the next half year (where such endorsement is granted), the validity period of the licence will be extended by the licensing authority by six months to enable the licensee to utilise the second half of the licence.

(4) The licences granted under the Export Promotion Schemes will normally be valid for a period of 12 months.

(5) The initial period of validity of C.G./H.E.P. licences other than those against "tied credits" will be two years.

(6) The initial period of validity of licences granted for the import of equipment for irrigation projects will be one year. Where documentary evidence is produced with the application for licence to show that firm order for the goods has been placed and accepted by the foreign suppliers, the licensing authority will issue such licences with a maximum validity period of three years.

(7) The period of validity of licences for the import of goods required to fulfil D.G.S. & D. and Railway contracts, will be in accordance with the recommendation of the D.G.S. & D./Railway Liaison Officer.

(8) The initial validity period of a Customs Clearance Permit will be four months.

148. *Date of Shipment/Despatch.*—(1) In the case of shipments made by sea, the date of shipment of goods will be determined by

the date on the Bill of Lading which generally shows the date on which the goods have actually been loaded on the ship.

NOTE:—A Bill of Lading is a document for the carriage of goods and it is, therefore, a contract starting from the time when the goods are received on board the ship. When the goods are actually placed on board the ship, the mate's receipt is issued which is a temporary receipt issued by an officer of the Vessel on behalf of the mate. Bills of Lading are prepared from the mate's receipt and the Bills of Lading may or may not show the exact date on which the goods have actually been placed on the ship. Sometimes the Bills of Lading bear two endorsements namely (i) Received for shipment and (ii) Shipment in good condition and order. The dates stamped against the aforesaid two endorsements, at times, differ. In such cases, the date shown against the endorsement No. (ii) above, i.e., shipped in good condition and order, appearing on the Bill of Lading, will be accepted as the date of shipment. However, it will not be binding on the Customs authorities that this date should necessarily be accepted as the date of shipment. Where the Customs authorities have any doubt, it will be open to them to find out the actual date of shipment by other means, i.e., from the report of Chief Officer of the Ship and tally report of the ship etc.

(2) In the case of imports by air, the date of air consignment note will normally be taken as the date of despatch of the goods provided this date represents the date on which goods are despatched from the last airport in the country.

NOTE:—In cases where a doubt is felt whether the goods have been placed on the aircraft on the date as given in the consignment note, it will be open to the Customs authorities to seek further information such as the actual date of departure of the plane, the time of stay at the foreign airport of loading etc. to determine the actual date of despatch.

(3) In the case of post parcels, the date stamp of the office of despatch shown on the packets or despatch note is considered as the date of despatch of foreign parcels.

(4) In the case of imports from land-locked countries such as Czechoslovakia and Switzerland which have no sea port of their own, the date of shipment will be the date of actual despatch of the goods by rail or road or any other recognised mode of transport from the country of origin of the goods to the consignee in India on 'through consignment' basis.

NOTE No. I:—A through Bill of Lading tallying in all material particulars and giving evidence of no undue delay by halts or break of journey, will normally constitute sufficient proof of a 'through consignment'.

NOTE No. II:—This concession will be applicable only in the case of imports from land-locked countries and not from countries which have sea ports of their own.

However, it has been represented that even though East Germany has ports capable of taking ships with deep sea draught but for certain specific difficulties she is not in a position now to induce ocean going freighters of other countries to call at her ports. Therefore, the date of issue of cross border certificate issued by the German Democratic Republic may be taken as the 'Date of Shipment' in the case of imports from East Germany.

149. *Validity of Import Licences to cover imports.*—(1) The validity of an import licence is decided with reference to the date of actual shipment/despatch of the goods from the supplying country and not the date of arrival of the goods at an Indian port. If the goods are shipped or despatched within the period of validity of the licence, they will be allowed to be cleared even if they arrive at an Indian port after the expiry of the licence. On the other hand, if the goods are shipped or despatched before the date on which the licence is issued, the import will be treated as unauthorised even though the importer holds a licence on the date of arrival of goods at an Indian port. Similarly the goods shipped or despatched after the expiry of the period of validity of the licence will also be unauthorised. Importers should, therefore, see and satisfy themselves that they hold a valid licence on the date on which the goods sought to be imported are shipped/despatched by the suppliers.

(2) Where the date of expiry of an import licence falls before the last date of a month, the licence will automatically be valid to cover shipments made upto the end of that month. Also, in calculating the period of validity of a licence the date of issue of the licence is excluded. For instance, if a licence is issued on 10th November 1960 and is valid for 12 months, it will normally expire on 10th November, 1961, but in accordance with the provisions of this paragraph, such licence will be treated as valid upto 30th November, 1961.

(3) In cases where the goods are shipped or despatched before the date of issue of the licence or after its expiry, the imports will be treated as unauthorised by the Customs authorities and the Import Trade Control authorities will not entertain any representation in this regard.

150. *Grace Period.*—(1) In order to facilitate shipments in cases where the goods are ready for despatch in time but delay occurs because of a change in the shipping schedule or for reasons beyond the control of the importers, a grace period not exceeding 15 days is allowed after the date on which the licence expires. In the case illustrated in sub-para. 149(2) above, the period of grace will commence from 1st December, 1961 and the licence will be completely 'dead' on 16th December, 1961.

(2) The grace period of 15 days will also be available in the case of Customs Clearance Permits.

(3) The importers can also avail of the grace period of 15 days in the case of revalidated licences.

(4) The grace period cannot be claimed as a matter of right and no letter of credit should be opened or order placed against the licence during the period of grace.

(5) On certain occasions such as dockyard strike in the country of shipment when the importers face genuine difficulties and the goods cannot be shipped in time, the licensing authority may, by a general authorisation, extend the period of validity of any licences on an *ad-hoc* basis for a specified period. Such extension, where granted, will be in the nature of enhanced grace period and the importers will not be entitled to open any letter of credit or place orders for the supply of goods during such extensions.

151. *Revalidation of licences.*—(1) *Actual Users.*—The requests for revalidation of actual user licences will be considered on merits by a licensing authority where such authority is satisfied that the request for revalidation is based on genuine difficulty and the refusal to grant extension will cause real hardship or loss to the licence holder. The licences in deserving cases may be extended by a period not exceeding six months.

(2) *Established Importers.*—The period of validity of import licences issued to established importers will not ordinarily be extended. However, in cases of exceptional hardship, a licensing authority may consider the request for revalidation of established importer licence on merits where such authority is satisfied, on the basis of the documentary evidence produced, that the licence-holder had taken all possible measures to effect shipment/despatch within the validity period of the licence in question but shipment/despatch could not be effected for reasons beyond the control of the licence-holder. The extensions, where granted in such cases, will not exceed a period of three months.

(3) *C.G./H.E.P.*—In the case of C.G./H.E.P. licences other than those against tied credits, the licensing authority will grant an extension of one year, upon request, provided such authority is satisfied that a firm order has been placed and accepted by the foreign supplier during the initial period of validity of the licence but shipment could not be effected within that period. Normally extension beyond the overall validity period of 3 years is not granted but, in cases of special difficulty, the requests for revalidation beyond this period may also be considered.

(4) *Export Promotion Scheme.*—In the case of licences, granted under the Export Promotion Scheme, the period of validity may be extended for good reasons provided such revalidation is not repugnant to the specific conditions imposed on the licence.

(5) *Irrigation Projects.*—The licences for the import of equipment for irrigation projects will be extended to a maximum period of three years on production of documentary evidence to show that firm order has been placed and accepted by the foreign supplier provided the licence in question was initially issued with a validity period of one year. Where the licence has already been issued with a maximum validity period of 3 years as provided in sub-para 147(6) of this chapter, normally further extension will not be granted.

(6) *D.G.S. & D./Railway Contracts.*—Licences issued against the D.G.S. & D./Railway contracts will be revalidated on the recommendation of the D.G.S. & D. or the Railway Liaison Officer, as the case may be.

(7) *Technical Institutions.*—The period of validity in respect of licences granted to universities, educational institutions, research

organisations, technical/technological institutions and hospitals, may be extended, upon request, with reference to the merits of each case.

(8) C.C.P.—A Customs Clearance Permit may be revalidated upto a period of two months. Requests for revalidation beyond two months but upto five months, *viz.*, for an overall period of 9 months including the period of revalidation, may also be considered on merits in cases of real hardship.

(9) In cases not covered by sub-paras 1 to 8 above, no revalidation of licences will ordinarily be allowed. But in case of genuine difficulty the licensing authority may grant extension for a short period on merits.

152. *Licensing authorities to whom applications for revalidation should be made.*—(1) Subject to the additional facility as provided in sub-paragraphs (2) and (3) below, the request for revalidation of a licence should be made to the licensing authority who issued the licence.

(2) The requests for revalidation of actual user licences, established importer licences and licences granted under the Export Promotion Scheme, issued by any licensing authority, will be entertained by all the regional licensing authorities.

(3) In the case of C.G./H.E.P. licences, the requests for revalidation upto one year will also be entertained by all the regional licensing authorities. Requests for revalidation beyond this period should be made to the licensing authority who issued the licence.

153. (1) The requests for revalidation of licences should be made within the validity period of the licence. However, in cases of specific hardship, the licensing authority may condone the delay in the submission of the application for revalidation where such authority is satisfied that the delay in making the application for revalidation was due to circumstances beyond the control of the licensee.

(2) Revalidation, where allowed, will be from the date of expiry of the licence when such licence is presented for revalidation before its expiry. But in cases where the licence is presented after the expiry date, the revalidation shall take effect only from the date of endorsement of revalidation on the licence.

CHAPTER IX

APPEALS

154. When a person is not satisfied with the decision of a licensing authority, he may make an appeal against the said decision in accordance with the provisions hereinafter stated.

155. *First Appeal*.—(1) In respect of an application for import licence, an appeal, in the first instance, will lie with the head of the office in which the application was dealt with. However, in the case of an application dealt with in the licensing division at the headquarters office of the Chief Controller of Imports and Exports, New Delhi, the first appeal will lie with the Joint Chief Controller of Imports and Exports (Headquarters Licensing Division) in the office of the Chief Controller of Imports and Exports, New Delhi. The first appeals in regard to the applications dealt with in the Import Trade Control Offices at (i) Visakhapatnam, Pondicherry and Bangalore, (ii) Rajkot and New Kandla and (iii) Shillong, will lie with the Joint Chief Controllers of Imports and Exports at Madras, Bombay and Calcutta respectively.

(2) The first appeal in respect of an application for import licence dealt with in the Tools Directorate in the Directorate General of Technical Development, New Delhi will lie with the Development Officer (Tools) in the said Directorate.

(3) In the case of an application for recognition of new established importers and transfer of quotas, the first appeal will lie with the head of the office in which the application was dealt with.

(4) The first appeal under this paragraph should be made so as to reach the authority concerned within 30 days from the date of the Order appealed against. No fees shall be charged on a first appeal.

156. *Second Appeal*.—(1) If the appellant is not satisfied with the decision of the appellate authority as indicated in paragraph 155 above, he may make a second appeal to the Chief Controller of Imports and Exports, New Delhi (Appeals Wing).

(2) The second appeal under this provision should be made so as to reach the Chief Controller of Imports and Exports, New Delhi (Appeals Wing) within a period of 45 days from the date of the order appealed against.

(3) The second appeal should be accompanied by a treasury receipt of Rs. 5 towards payment of appeal fee deposited at any Government Treasury or the office of the State Bank of India or the Reserve Bank of India for credit to the Central Government under the head "Import Licence Fees" subordinate to the major head "XXXII Miscellaneous, Social and Developmental Organisations".

157. *Documents to be submitted along with appeal*.—The Appeal (whether First or Second) should also invariably be accompanied by the following documents:—

(1) A copy of the decision against which the appeal is made.

- (ii) A copy of the original application.
- (iii) The original documents forwarded with the original application, if the appeal is based on a point of fact. In case, the said documents have been retained by the licensing authority, copies thereof, duly authenticated, should be produced.
- (iv) Any other documents relied upon in support of the contentions raised in the appeal.
- (v) A *proforma* giving the following particulars:—
 - (a) Name and address of the applicant.
 - (b) Licensing period in respect of which the appeal is made.
 - (c) Licensing authority against whose decision appeal is made.
 - (d) Brief description of goods.
 - (e) Serial No. and Part of the I.T.C. Schedule in respect of the goods in question.
 - (f) No. and date of the communication containing the decision appealed against.
 - (g) A brief statement indicating the reasons for which the application/first appeal has been rejected.
 - (h) A brief statement of the grounds of the appeal.

158. An appeal made under these provisions will be liable to be summarily rejected if it is not received by the appellate authority concerned within the prescribed period.

159. A copy of the first appeal made to the Joint Chief Controllers of Imports and Exports at Madras/Bombay/Calcutta, as the case may be, against the decisions of the Import Trade Control Officers at Visakhapatnam, Pondicherry, Bangalore, Rajkot, New Kandla and Shillong should be endorsed to the authority concerned against whose decision the appeal is made. Similarly a copy of the second appeal addressed to the Chief Controller of Imports and Exports (Appeals Wing), New Delhi should be endorsed to the authority against whose decision the appeal is made.

160. An application for review of the decision on a second appeal will also be entertained by the Chief Controller of Imports and Exports, New Delhi. Such application should be made within 30 days of the date of the communication containing the decision sought to be reviewed. After an application for review has been disposed of, no further request for review will be entertained and no reply will be sent to any such communication.

CHAPTER X

LETTER OF AUTHORITY

161. Under the Imports (Control) Order, 1955, dated 7-12-1955, no import licence can be transferred or acquired except under and in accordance with the written permission of the licensing authority or any other officer authorised in this behalf. Therefore, in cases where no such permission is granted, only the licensee is authorised to operate upon the licence issued to him, i.e. to place an order on the foreign supplier, to open a letter of credit, to make remittances of foreign exchange against the exchange control copy of the licence and to perform all other functions for the utilisation of the licence.

162. With a view to falling in line with the ordinary trade practice and, at the same time, in order to exercise a proper check over the transfer of import licences, the licensing authority may authorise any person or concern to operate upon a licence on behalf of the licensee in accordance with the provisions stated below.

163. A licensee who desires another party to indent the goods from abroad or open a letter of credit or make remittances or to import the goods on his behalf against any particular licence issued to him, should himself apply for a letter of authority in favour of such party in respect of that licence. Such application should be made to the licensing authority who issued the licence or to any other regional licensing authority.

164. A letter of authority cannot be claimed as a matter of right. It will normally be granted only in respect of licences issued to actual users. In the case of established importers or others, the letters of authority will be granted only in exceptional circumstances where the licensing authority is satisfied that the transaction involved is genuine and *bona-fide* and that the licence holder is not endeavouring to part with the licence on consideration or otherwise.

165. The request for the grant of a letter of authority will be considered only in favour of an indenting agent or indenting house or a sole selling agent having an agency of the foreign supplier concerned. But in the case of licences issued to actual users, Government or semi-Government Organisations, local bodies or State Trading Corporation of India, the licensing authority may consider the request for the grant of letter of authority in favour of a person or concern other than the agent of the foreign supplier concerned, provided the licensing authority is satisfied that the person or concern in whose favour the issue of letter of authority is requested is in a position to import the goods on behalf of the licensee.

166. *Documents/Information to be furnished for issue of letter of authority.*—(1) Where the goods are sought to be imported through

an agent of the foreign supplier concerned, the licensee should quote the Agency Registration Number referred to in the succeeding paragraph allotted by the licensing authority to the agent in whose favour the issue of letter of authority is requested. In case the Agency Registration Number has been allotted by a licensing authority other than the authority to whom the application for the issue of letter of authority is made, the licensee should produce the original or photostat copy of the Agency Registration slip issued to the said agent. Where an agency Registration Number has not been obtained, the licensee should produce documentary evidence to show that the agent concerned has a valid agency agreement with the foreign supplier and is authorised to accept contracts on behalf of the said foreign supplier for the goods in question.

(2) The application for a letter of authority should be accompanied by a declaration from the licensee stating that he has neither applied for nor obtained a letter of authority in respect of the same licence from any other licensing authority. In cases where an application for a letter of authority has already been made or a letter of authority has already been obtained from any licensing authority in respect of a part-value of the licence, it should be clearly stated in the declaration that the letter of authority already applied for or obtained does not cover the value for which a letter of authority is now desired.

(3) The reason for which the licensee cannot import the goods direct should also be explained.

(4) The licensing authority may call for any other documents/information for considering the request for the grant of a letter of authority.

167. *Registration of Agency Agreement.*—(1) The Agency Registration Number as referred to in sub-para (2) of paragraph 166 above is allotted to an agent of the foreign supplier by a licensing authority so that the documentary evidence regarding valid agency agreement need not be required to be produced with every application for the grant of a letter of authority. Such Number is allotted on an application made by the agent concerned supported by a certificate in duplicate from the foreign principals giving the following particulars:—

- (a) that the agency agreement is still valid; an indication as to the date of termination of the agency agreement should also be given.
- (b) details of the goods for which the agency is held.
- (c) that the agent is authorised to book orders and import the goods on behalf of the customers.
- (d) that the agency is valid for the whole of India; in case the agency is valid only for any particular state or territory in India, the details should be furnished.
- (e) that the agent concerned is the sole agent for the whole of India, or for a particular state or territory in India.

(2) Once an Agency Registration Number has been allotted by a licensing authority to an indenting house/agent/sole selling agent, it will be sufficient for the licensee to quote that Number at the time of making a request for the issue of a letter of authority instead of producing the documentary evidence regarding a valid agency agreement. The Agency Registration Number issued by one licensing authority will be accepted by other licensing authorities also, provided the original or photostat copy of the Agency Registration slip is furnished with the application for a letter of authority.

(3) An Agency Registration Number will normally be made valid for two financial years, namely, the financial year in which it is issued and for the next financial year, if the agency agreement so permits.

168. *Functions of the holder of letter of Authority as Licensee's Agent.*—(1) A person or concern in whose favour a letter of authority is issued by a licensing authority in respect of an import licence, will act as the licensee's agent so far as the particular import licence is concerned.

(2) The functions of the licensee's agent will be limited, namely, to operate upon the licence in question, i.e. to place an order, to open a letter of credit, to make remittances, to import the goods and clear the same through the customs, on behalf of the licensee.

169. *Conditions of Letter of Authority.*—A letter of authority issued under these provisions shall be deemed to have been issued subject to the following conditions:—

- (i) the person or concern in whose favour the letter of authority is issued will act only as an agent of the licensee and the goods imported shall be the property of the licensee both at the time of clearance through the customs and subsequent thereto. The licensee will have to ensure that the goods, on importation, will be delivered to him and shall not be disposed of otherwise. The licensee shall not cause or permit the holder of letter of authority to dispose of the goods.
- (ii) the holder of the letter of authority shall clearly indicate on all the relevant customs documents including the triplicate copy of the customs Bill of Entry that the goods have been imported by him on behalf of the licensee. This endorsement will be duly attested by the customs authorities.
- (iii) the holder of the letter of authority shall not, under any circumstances, be entitled to any quota licence or quota certificate on the basis of such imports.

170. It has been represented that the small importers holding licences for value of Rs. 500 or below are unable to utilise their licences themselves for the following reasons:—

- (i) the foreign suppliers are not willing to entertain or execute small value orders;

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- (ii) the freight charges for consignments of small value are comparatively high and thus render small value imports uneconomical.

Therefore, in order to obviate this difficulty, notwithstanding the provisions made in paragraphs 165 and 166 of this Chapter, such licensees will be allowed to obtain a letter of authority to enable them to import goods in one lot through one of such licensees, provided the total c.i.f. value of goods sought to be imported through one party does not exceed Rs. 10,000.

CHAPTER XI

EXEMPTIONS FROM I.T.C. RESTRICTIONS

171. No licence is required for the import of goods mentioned under the 'Savings' in Clause 11 of the Imports (Control) Order, 1955 dated 7th December 1955.

172. In terms of saving (1) of the aforesaid clause 11 of the Imports (Control) Order 1955, executive instructions have been issued to the Customs authorities to exempt the import of goods from the Import Trade Control restrictions in the following types of cases:—

(a) *Bonding of exposed Cinematograph films.*—Exposed films imported and allowed to be bonded for preview or censorship or re-export under C.B.R.'s letter No. 16(13)/58-Cus V, dated the 11th September, 1958 may be exempt from I.T.C. restrictions.

(b) *Import of emeralds and other precious stones on approval, basis—examination of contents before clearance.*—(1) The emeralds and other precious stones imported by sea or air (otherwise than by post) and bonded on arrival for the purpose of inspection may be exempted from I.T.C. restrictions. Such quantities of goods as are approved after inspection may be allowed to be cleared against valid licences.

(2) This facility is not available in the case of imports of emeralds and precious stones by post parcel. Under the Universal Postal Convention, a parcel cannot be split up into two i.e., one part to be retained and the other part to be returned to the sender. The contents of the post parcels can therefore either be accepted or rejected in toto. However, the importer or his agent will be given facilities to inspect the contents of such post parcels under customs supervision, if the addressee so desires. The inspection will be allowed at the time and date specified by the Customs authorities. If the importer does not turn up for inspection at the appointed time and date, the parcel will be returned to the sender. If the importer accepts the parcel, he can secure its clearance against a valid licence and the value of the parcel, as a whole will be debited to the licence, and the debit once raised against the licence will not be revoked.

(c) *Transfer of ship stores in cases where the vessels engaged on foreign trade are transferred to coastal trade.*—In cases where the vessels engaged on foreign trade are transferred to coastal trade, the consumable stores on board the ship are allowed to be transferred with the vessel on payment of Customs duty. Such transfer of stores will be exempt from I.T.C. restrictions.

(d) *Import of advertisement blocks.*—Certain foreign concerns buy advertisement space in the Indian press and for that purpose send blocks to India. These blocks are intended to be destroyed after the relevant number of insertions have appeared. It has been represented

that newspaper establishments are experiencing difficulty in clearing these advertisement blocks. As these blocks are imported free of charge and the related advertisements bring in foreign exchange, the consignment containing advertisement blocks supplied free of charge, will be allowed to be cleared without import licence provided the value of the consignment does not exceed Rs. 500.

(e) *Import of goods by post for private and personal use by individuals—extension of the concession to air freight parcels.*—Under sub-clause (gg) of Clause 11 of the Import (Control) Order, 1955, import of goods by post for private and personal use of an individual is allowed without I.T.C. restrictions subject to certain limitations/conditions. This provision has also been extended to air freight parcels for the import of such goods by an individual for his private and personal use subject to the same limitations/conditions.

(f) *Import of goods by post or air freight for professional use by individual.*—The provisions mentioned in sub-para (e) above will also apply to the import of such goods by post or by air freight parcels for professional use by an individual. However, in the case of medical practitioners, Homœopathic doctors, Veterinary doctors and dentists, the import of drugs and medicines and instruments, required for their professional use, will be allowed upto the value of Rs. 500/- in each case under this concession. It should be ensured that the goods so imported are for the use of the importer in his professional capacity only and not for commercial purposes.

(g) *Import of certain goods by post or air freight for use by Institutions and not for direct re-sale.*—(1) The provisions mentioned in sub-para (e) above will also apply to the import of such goods by post or by air freight parcels, for use by institutions and not for resale, for example goods meant for rituals sent to Missionary Societies, records coming to the All India Radio, scientific instruments coming to educational institutions and others where the principle of personal use would apply except that the user is not an individual but an institution.

(2) This concession does not apply to factories but where a factory has to import raw materials or spare parts by air urgently without waiting to obtain an import licence with a view to avoid any breakdown and where the facts are clear, such cases will be dealt with leniently by Collectors of Customs in their discretion.

(3) This concession will be in force till 31st December, 1964.

(h) *Facilities for importation of Commercial samples and advertising material.*—The Government of India have acceded to the International Convention to facilitate the importation of commercial samples and advertising materials, which has been incorporated as item 44(5)(a) of the Indian Customs Tariff. Under this item, samples of goods which are exempt from import duties under and in accordance with the said International Convention drawn up at Geneva on the 7th November, 1952 are allowed clearance free of duty and without Import Trade Control restrictions. Full details can, however, be ascertained from the Collectors of Customs in India.

(i) Food parcels sent to India from abroad as gifts may be allowed clearance without I.T.C. restrictions.

(j) The articles such as food-stuffs, medicines, clothing and blankets imported into India by any charitable organisation or any individual as free gifts from any philanthropic organisation or individual abroad for free distribution to the poor and the needy without any distinction of caste, creed or race, may be exempted from the I.T.C. restrictions, provided such imports are exempted from Customs duties leviable thereon, in terms of the Government of India Notification No. 84-Customs, dated the 13th August 1960, as in force. The intending importer should approach the Collector of Customs of the port of import for the grant of duty concession before importing the goods.

173. (1) Under Open General Licence No. IV (re-produced in Appendix 15) *bona fide* samples or advertising matter excepting vegetable seeds falling under S. No. 36 of Part IV of the I.T.C. Schedule, can be imported without any import licence provided (a) they are supplied free of charge, (b) their c.i.f. value in one consignment does not exceed Rs. 250 and (c) the samples or advertising materials thus imported shall not be sold by the importer. Under this concession the Customs authorities may allow clearance under Open General Licence No. IV of the permissible samples and advertising matter even if the importer concerned may have to pay for freight and insurance charges provided the overall value of the samples or the advertising matter including freight and insurance charges does not exceed Rs. 250 in one consignment. In such an event, the Collector of Customs will suitably endorse the relative Bill of Entry to enable the importer to secure remittance facilities from the Reserve Bank of India in respect of the freight and insurance charges.

(2) A question has been raised whether several consignments of *bona fide* samples or advertising matter for value not exceeding Rs. 250 in each consignment sent by the same supplier to the same consignee and received by the same mail should be treated as one consignment or different consignments for purposes of clearance under O.G.L. IV. It has been decided that the import of several consignments in the manner indicated above (although each consignment does not exceed Rs. 250 in value) will tantamount to circumvention of ceiling placed for imports of *bona fide* samples or advertising matter in one consignment and will not, therefore, qualify for the concession given in the O.G.L.

(3) Though the above O.G.L. does not specify any particular types of importers who are eligible to import the samples, it is clarified that only such importers as are connected with commercial sale or distribution of goods are expected to be supplied, with free samples/ advertising material by the foreign suppliers. It has, therefore, been decided that importers who are not connected with commercial sale or distribution will not be allowed the above concession.

174 *Import of labels, price tickets and like articles for export products.*—(1) It has been represented that exporters are finding it difficult to clear packages of labels, price tickets and like articles which are supplied to them by foreign buyers to be attached to the goods which are exported against specific orders placed by them. The Collectors of Customs may, therefore, in their discretion, allow clearance of labels, price tickets and like articles without I.T.C. res-

trictions provided they are satisfied that these articles are required for *bona fide* use in connection with export orders and the value of articles imported at one time is less than Rs. 50.

(2) Where the value of articles so imported is Rs. 50 or more, the importer concerned should approach the licensing authority at the port for the grant of Customs Clearance Permit. The request for the grant of Customs Clearance Permits in such cases will be considered by the licensing authority on merits in *bona fide* cases after taking suitable bond from the importer that the goods covered by the Customs Clearance Permit will be utilised for export orders to be executed and the goods exported within a period of six months.

175. Under sub-clause (m) of Clause 11 of the Imports (Control) Order 1955, the imports of goods by officials of the United Nations Organisation and its specialised agencies who are exempt from payment of Customs duty under the United Nations (Privileges and Immunities) Act 1947 will also be exempt from the Import Trade Control restrictions. This concession has been extended to the import of publications of the United Nations Organisation or its specialised agencies by their agents and such imports by the agents concerned would also be exempt from the I.T.C. restrictions provided the imports are exempt from the Customs duty under the United Nations (Privileges and Immunities) Act, 1947 and the publications so imported are the property of U.N.O. or its specialised agency, as the case may be, at the time of importation

176. *Re-import of goods for removal of defects and subsequent re-export.*—The goods of Indian manufacture exported and received back by the manufacturer(s) from consignee for repair and re-export are exempted from Import Trade Control restrictions—*vide* saving (1) under Clause 11 of the Imports (Control Order), 1955. It will be observed from the said saving (1) that the re-import of the goods will be permitted provided that (i) the Customs are satisfied with the *bona fides* of the case and (ii) in the case of goods other than those exempt from customs duty on re-importation under Customs Notification No. 132, dated 9-12-1961, a bond is executed by the importer with the Import Trade Control authority at the port concerned to the effect that the goods thus imported will be re-exported after repair within six months. In such cases where the customs authorities are satisfied with the *bona fides* of the case, they will refer the importer to the port licensing authority concerned for executing the necessary bond and release the goods after the bond is executed with the Import Trade Control authority. The Import Trade Control licensing authority will take a bond from the importer on stamped paper equal to the value of the goods and take further steps to ensure the compliance of the conditions of the bond. The bonds should be guaranteed by a Bank Surety.

177. *Passenger's baggage.*—(1) Under sub-clause (g) of Clause 11 of the Imports (Control) Order 1955, goods imported by a person as passenger's baggage are exempt from the necessity of an import licence subject to certain limitations/conditions, to the extent admissible under the Baggage Rules issued by the Central Board of Revenue from time to time. It should, however, be noted that only such

articles as are considered *bona fide* baggage under the Baggage Rules in force will be allowed to be imported without a licence under this provision. The Baggage Rules announced in the Central Board of Revenue Notification No. 122, dated 19th November 1960 as amended by Notification No. 21, dated 2nd February 1963, and No. 295, dated 3rd December, 1957 are reproduced in Appendix (16) to this book. In this connection, certain other rules in force at present have also been included in the said Appendix.

CHAPTER XII

BREACHES OF IMPORT TRADE CONTROL REGULATIONS

178. It is provided in Section 5 of the Imports and Exports (Control) Act 1947 that, if any person contravenes or attempts to contravene or abets a contravention of any Order made or deemed to have been made under the said Act or any condition of a licence granted under any such Order, he shall, without prejudice to any confiscation or penalty to which he may be liable under the provisions of the Sea Customs Act 1878 (now the Customs Act 1962), be punishable with imprisonment for a term which may extend to one year or with fine or with both.

179. In terms of the provisions contained in clause 8 of the Imports (Control) Order 1955, dated 7-12-1955, the Central Government or the C.C.I. & E. (which includes a J.C.C.I. & E. and a D.C.C.I. & E.) are empowered to suspend the issue of licences to a licensee/Importer or direct, without prejudice to any other action that may be taken in this behalf that no licence shall be granted to him for a specified period.

180. The following types of offences will *inter alia* constitute breaches of import trade control regulations.—

- (i) Applying for an import licence on the basis of false or fabricated or tempered with or forged essentiality certificate or recommendation of the State Director of Industries or the Directorate General of Technical Development or any other certifying or sponsoring authority, or obtaining such certificate or recommendation by misrepresentation or fraud.
- (ii) Applying for an import licence on the basis of false or fabricated or tempered with or forged quota certificate or obtaining such quota certificate by misrepresentation or fraud or on the basis of documents which are false or fabricated or forged or tempered with.
- (iii) Applying for an import licence by concealing the change, if any, in the ownership, constitution or name of the business.
- (iv) Applying for an import licence on the basis of Bill of Entry or any other document(s) which pertain to unauthorised imports and where the fact of unauthorization has been concealed or withheld

- (v) Applying for an import licence on the basis of a certificate of an auditor or a chartered accountant or any other document which is false or fabricated or forged or tempered with or which has been obtained by misrepresentation and improper means.
- (vi) Applying for an import licence on the basis of false or fabricated or tempered with or forged order purported to have been placed by a Govt. Department for the supply of goods sought to be imported.
- (vii) Applying for an import licence on the basis of a wrong or invalid income-tax verification registration/exemption number or obtaining such number on the basis of false or fabricated or tempered with or forged income-tax clearance certificate or if such certificate has been obtained from the income-tax authorities by misrepresentation and improper means.
- (viii) Applying for an import licence on the basis of past imports which do not qualify for establishment/refixation of quota in terms of the policy in force.
- (ix) Applying for more than one import licence for the import of the same goods during the same licensing period on the basis of past imports made during different financial years.
- (x) Applying for licences separately in the names of different branches of the same concern for the same goods on the basis of imports falling in different basic years.
- (xi) Applying for more than one import licence for the import of same goods during the same licensing period on the basis of different documents pertaining to past imports made during the same financial year.
- (xii) Applying for an import licence in more than one capacity i.e. as an established importer and actual user where the applicant is not entitled to a licence in both the capacities in terms of the provisions of this book or the policy in force.
- (xiii) Applying for an import licence on the basis of any statement which is false, fraudulent or misleading.
- (xiv) Tempering with an import licence.
- (xv) Soliciting of licences by offering inducement to the holder of licence or otherwise.
- (xvi) Smuggling of goods or importing goods without the cover of a valid licence or tempering with a licence or making interpolations in the licence or in the list of goods attached to the licence by removing the original entries or otherwise.
- (xvii) Applying for duplicate copy of a licence or quota certificate by misrepresentation of facts.

- (xviii) Obtaining clearance of goods from the Customs by producing false or fabricated or tempered with or forged recommendation purported to have been issued by the I.T.C. authority or obtaining such recommendation by misrepresentation.
- (xix) Any corrupt or fraudulent practice in commercial dealings or in obtaining any licence on the part of the applicant for licence or any of his agents or employees.
- (xx) Contravention of the conditions embodied in a licence or accompanying a licence or an application for a licence.
- (xxi) Selling of goods imported against actual user licences in contravention of the condition of the licences.
- (xxii) Mis-using the goods received by way of allotments through the State Trading Corporation of India or any other recognized agency.
- (xxiii) Trafficking in licences i.e. illegal transfer or acquisition of import licences.
- (xxiv) Sale of goods by a licensee prior to their clearance through the Customs or purchase of any such goods.
- (xxv) Misdeclaration of value, sort, quality or quantity in respect of any goods on their importation.
- (xxvi) Contravention of any law, rules or regulations relating to Customs or the import and export of goods or of any law relating to foreign exchange.
- (xxvii) Refusal to produce any documents or books of account required by a licensing authority.
- (xxviii) Withholding the delivery of goods to the licensee, imported by any person on a letter of authority issued by the licensing authority.
- (xxix) Failure to comply with the conditions subject to which a letter of authority is issued.
- (xxx) Applying for an import licence in the name of a fictitious concern.
- (xxx1) Failure to fulfil export obligation against the imports made under the Export Promotion Scheme.
- (xxxii) Failure to comply with the distributional control in respect of imported goods where such control is applicable in terms of the policy in force.
- (xxxiii) Other corrupt or fraudulent practices.

N.B.—A licence includes a Customs Clearance Permit for purposes of the provisions of this paragraph also.

181. Where a licence has been issued provisionally or through error or inadvertance or is in excess of the licence-holder's entitlement or has been obtained by misrepresentation or contrary to rules and regulations in force, it will be open to the licensing authority to set off the value of such licence or adjust the same

against the licence holder's subsequent entitlement, without prejudice to any other action that may be taken in this behalf.

182. Attention of the trade is also invited to the provisions contained in paragraph (87) of this book relating to mis-use of the goods imported against a licence by an actual user or the goods received by any person through the allotments made by the State Trading Corporation of India or any other recognized agency.

CHAPTER XIII

UNAUTHORISED IMPORTS

183. Import is validly covered by a licence when the description, value and the quantity of imported goods are in accordance with the licence and the shipment/despatch of the goods from the supplying country takes place within the period of validity of the licence.

184. An import licence is issued without prejudice to the operation of other prohibitions or laws to which the imported goods may be subject. For instance, if, under the health laws, imported plants have to be fumigated or animals inoculated, the relevant regulations have to be strictly observed. Similarly, the regulations under the Drugs Control Act, Arms Act, the Explosives Act, the Excise Act and such other Acts, as may apply to the goods sought to be imported, will have to be strictly followed.

185. If any article, requiring a licence, is imported without a valid licence, its entry into the country will be treated as unauthorised and the importer/owner of the goods will be liable to punishment under the provisions of the Customs Act 1962 without prejudice to any other action that may be taken in this behalf under the Imports and Exports (Control) Act, 1947 and the order issued thereunder. In such cases, the Import Trade Control authorities will not regularise the import by an *ex-post-facto* licence; nor will they amend the existing licence in any manner to cover such imports.

186. The clearance of goods and the assessment of duty will be dealt with by the Customs authorities. It is within the jurisdiction of the Customs authorities to determine whether or not the goods imported are in conformity with the description given in the licence. Although, in case of doubt in regard to the correct description of goods given in the licence or any other matter concerning the import, the Customs authorities may consult the Import Trade Control authorities, the final responsibility in the matter rests with the Customs authorities.

187. Ordinarily, if the article imported is in accordance with the description given in the licence and the import is otherwise covered by the licence, the clearance will be allowed by the Customs even though there may be a difference of opinion in regard to the correct I.T.C. classification of the goods in question. However, in such an event, the Customs authorities will be entitled to assess the customs duty in accordance with their rules and regulations. On any point of clarification for purposes of assessment of import duty, the Collector of Customs/the Central Board of Revenue in appeal, are the final authorities. No appeals in this regard will be entertained by the I.T.C. authorities.

188. In order to help the importers in cases of genuine difficulties, a joint committee of the Import Trade Control and the Customs authorities has been set up at each port. The Committees meet

regularly and deal with both pre and post-importation enquiries and difficulties of importers.

189. If the importer finds any discrepancy in a licence he should immediately apply to the licensing authority concerned for an amendment in the licence. The request for such an amendment should in any case be made before the goods have been shipped/despached from the supplying country, so that, if, for any reason, the change or amendment is not permitted, the importer may be able to advise his suppliers to make the necessary adjustment. In seeking any amendment or revalidation of a licence, it should clearly be pointed out by the applicant whether or not shipment/despatch of goods covered thereby has already been made either wholly or partly. Any misleading or wrong statement in this behalf will render the licensee/importer liable to action under the Import Trade Control rules and regulations.

190. The requests, if any, for amendment of a licence made after the shipment/despatch of the goods from the supplying country will be summarily rejected by the I.T.C. authorities. The matter in such an event will rest with the Customs authorities. The importers should, therefore, approach the Customs authorities who will deal with the cases with reference to the relevant rules.

191. The fine/penalty imposed in respect of unauthorised imports is likely to be heavy and may lead to even confiscation of the goods or prosecution of the importer/owner of goods. In special circumstances, the importer/owner of the goods may be allowed to re-ship the goods; but, in such a case also, the importer/owner of the goods will be liable to pay fine/penalty. Therefore, the importers should, in their own interest ensure that what is being imported by them into the country is in strict conformity with the licence-description in every respect and that the consignment is neither in excess of the licensed value or quantity limitations nor different in any way from what is authorised to be imported.

192. *Clearance of goods when the importer is unable to produce the licence.*—In cases where an importer claims to have a valid import licence to cover the goods imported by him but is unable to produce the licence to the Collector of Customs at a particular port owing to the simultaneous arrival of the goods covered by the licence at different ports, the Collector of Customs may, if he is satisfied with the plea put forward by the importer, permit clearance of the goods in so far as Import Trade Control Regulations are concerned on the importer executing a bond or a letter of guarantee in the forms given in Appendix (17) to this book. It is at the discretion of the Collector of Customs either to accept the bond or the letter of guarantee from the importer for the production of the import licence for the goods at a later date. Alternatively, the Customs authorities at the port who are in possession of the licence may be asked by the importer to send a release advice to the Customs authority at the other port or ports where a part of the goods have arrived, indicating to them the extent to which the licence is unutilised and is available for use at the other port or ports.

CHAPTER XIV

MISCELLANEOUS

193. *Port of Entry*.—(1) Import licences will, except where specifically provided otherwise in the licence, be valid for importation of goods at all ports in the Indian Union.

(2) The importers can, however, obtain separate licences for the goods to be imported through different ports, and for this purpose, the value of the goods to be imported at each port should be given separately in the application for the licence.

194. *Subsidiary Licences*.—(1) In order to facilitate the clearance of the goods through different sections of the same Customs House, the licensing authorities at the ports will consider requests for the issue of subsidiary licences against any existing licence. The request for grant of subsidiary licences can be made to any port licensing authority. Such requests will also be entertained by the regional licensing authorities in respect of licences issued from the headquarters office of the Chief Controller of Imports and Exports New Delhi.

(2) The following points should be borne in mind by the applicants while applying for subsidiary licences:—

- (i) The applications for subsidiary licences should be made sufficiently in advance of the despatch/shipment of the goods from the supplying country.
- (ii) The facility of the grant of subsidiary licences will be given irrespective of the value of the original licence.
- (iii) The subsidiary licences, where granted, will be subject to face value restrictions or any other conditions applicable to the original licence. It is open to the importers to apply for and obtain separate or subsidiary licences specifically valid for the items with face value restrictions upto the permissible limits. These licences showing the values of restricted items permissible against the main or original licences will also be valid for import of non-restricted items.
- (iv) The applications for subsidiary licences should also be accompanied by treasury receipt showing the payment of the prescribed application fee of Rs. 5/- for each subsidiary licence.

195. *Payment to Suppliers*.—When goods are to be imported under an Open General Licence, authorised dealers in foreign exchange have been permitted to open letters of credit or make remittances to cover the imports on their being satisfied that the goods ordered are covered by the Open General Licence. With regard to goods not covered by an Open General Licence, no letters of credit can be opened or remittances of foreign exchange made unless the importer

is in possession of a valid import licence with exchange control copy. When applying to an authorised dealer in foreign exchange for remittance of foreign exchange, the licence holder should produce before him the copy of the licence marked 'for exchange control purposes'. It should be noted that in opening any letter of credit the date of expiry of the O.G.L. or the valid licence should be kept in view for determining the period for which the letter of credit should be kept open for negotiation.

196. *No remittances in advance of the receipt of the shipping documents.*—It may be noted that whereas letters of credit can be opened on the basis of the exchange control copy of the licence in advance of the shipment/despatch of goods, remittances can be made only on receipt of shipping documents. In the case of licences for Capital goods and Heavy Electrical Plant, however, a part payment may be authorised by the Reserve Bank of India as an earnest money payable to the foreign suppliers.

197. *The extent to which licences can be utilised.*—(1) The value shown in an import licence is always the net c.i.f. price of goods to be imported excluding discount, commission or like rebates allowed by the foreign supplier/manufacturer to the concessionaries i.e. importers in India. The remittances against goods covered by import licences should, therefore, cover the net c.i.f. price charged by the foreign supplier excluding discount, commission etc. Cases have come to notice where payments have been made in excess of the actual net (c.i.f.) cost of the goods. Therefore the licensing authority will specifically endorse a condition on the licence to the effect that payment authorised to be made against it shall not cover commission, discount or like rebates allowed by the foreign supplier/manufacturer to the concessionaries i.e. importers in India.

(2) The (c.i.f.) value cannot also be used to the full extent if the stores are shipped f.o.b.; in such an event a margin has to be left to cover the cost of insurance and freight to be paid for in rupees. When either the freight or insurance is paid in rupees in India, the amounts will be deducted from the value of the licence by the authorised dealer in Foreign Exchange e.g. where against an import licence for Rs. 1,00,000/- the insurance and freight charges amount to Rs. 10,000/- (say Rs. 5,000/- on each account) the basic imports exclusive of cost of insurance and freight against the said licence can be admitted upto the extent of Rs. 90,000/- only.

198. *Requests for enhancement of the value of the licences.*—Importers are required to take steps to ensure that the c.i.f. value shown in the licence is not exceeded in any case unless otherwise notified. The only class of cases where requests for enhancement in the value of the licence are entertained are:—

- (a) Capital goods;
- (b) H.E.P. licences;
- (c) Licences against D.G.S.&D. and Railway Orders;
- (d) Licences granted to Actual Users in exceptional cases.

In each case the reasons for the increase have to be satisfactorily explained and documentary evidence in support of them has to be produced. The enhancement will be solely at the discretion of the licence issuing authority.

199. *Currency in which payment may be made.*—Normally foreign remittances are allowed by the Exchange Control authorities only in the currency of the country of origin of the goods in question as stated in the import licence, or by payment in sterling or rupees to the account of a resident in that country. In the case of f.o.b. contracts, however, payment of freight and insurance may be made in rupees, or in the currency of the country in which the shipping company is registered or the insurance policy is issued. If importers require any further information in this behalf, they may consult the authorised dealers in foreign exchange or the Reserve Bank of India.

200. *Provisional debiting of import licences by Customs Houses.*—Import licences are sometimes debited with 'Loaded Values' of the imported goods by Customs Houses on a provisional basis. On subsequent verification or on appeal, the quantum of loading is sometime reduced after several licensing periods. Re-validation of a licence on account of reduction in the "landed value" will not be granted.

201. *Banks as Joint Holders of Licences.*—It has been observed that when an importer opens an irrevocable letter of credit and later fails to honour his bills, the banks concerned (through whom the business has been transacted and who are committed for the payment of the exchange to the foreign suppliers) find themselves in difficulty to import as they are not the licence holder. As a safeguard against this contingency, the exchange banks or the authorised dealers through whom the letters of credit are opened are reckoned as the Joint holders of the licence to the extent of the goods covered by the credit which would thus enable them to honour their commitments with foreign supplier. The procedure in this respect is contained in Public Notice No. 60-ITC(PN)/50, dated the 21st July, 1950—vide Appendix (18) to this book.

202. *Established Importers-cum-manufacturer to claim licence only in one capacity.*—(1) An established importer-cum-manufacturer is eligible to claim a licence only in one capacity, i.e. either as an established importer or as an actual user, as indicated below:—

- (a) If an established importer of a commodity is also the manufacturer of a product in the process of the manufacture of which that commodity is required, the established importer-cum-manufacturer would be entitled to claim a licence only in one capacity either as an established importer or as actual user and not both.
- (b) If an established importer of a finished product and/or its components is himself or through his associate concern engaged in the manufacture of that product and/or components as an actual user, the actual user and his associate concern(s) will surrender their quotas for the finished product and/or its components as an established importer, provided that in exceptional cases where the commencement of production is likely to be delayed, they will be allowed to claim quota licences till the production has actually commenced.

(2) *Clarification of the above provisions.*—The following clarification is made to define the scope of the application of the above provisions with respect to certain types of cases:—

(i) *Cases in which the established importer-cum-manufacturer has a quota for a commodity which is also required as a raw material for use in the manufacture of a finished product.*—(a) If the raw material falls under a S. No. or sub S. No. as the case may be which covers only one item, the established importer-cum-manufacturer shall surrender his claim for a licence for the raw material in one capacity i.e. either as an established importer or as an actual user.

(b) If the raw material falls under a S. No./Sub S. No. which covers more than one item, the established importer-cum-manufacturer will be allowed to claim in addition to an actual user licence, a quota licence to import only such other items falling under the particular S. No./Sub S. No. as are not covered by his Actual User licence. In such cases only the past imports of admissible items will be taken into account for the grant of the quota licence.

(ii) *Cases where the manufacturer of a finished product has in his own name or in the name of his associate concern(s) a quota for that product.*—In such cases, if the manufacturer is engaged in the manufacture of only a particular type(s) of the product, he or his associate concern(s) will be entitled to claim a quota licence for import of such other type/(s) of the product as are not included in his manufacturing programme and only his past import of such other type/(s) of the product as are not included in his manufacturing programme will be taken into account to determine his or his associate concern's quota entitlement. But the quota will be subject to revision consequent on the expansion of the manufacturing activities.

(iii) *Cases where the manufacturer of a finished product has in his own name or in the name of his associate concern(s) a quota for the components of the finished product:—*

In such cases, the manufacturer and his associate concern(s) will be entitled to claim a quota licence for such components as are (a) not covered by his actual user licence and (b) not covered by his manufacturing activities. Only the past imports of admissible components will be reckoned for the grant of quota licences for components in such cases and the quota would be subject to revision consequent on the expansion of the manufacturing activities.

(iv) These principles would be followed with regard to grant of quota licences when goods imported against the quota licence are required for stock and sale. However, in cases where the goods sought to be imported against quota licence(s) are required for servicing/repairs, the quota licence(s) would be validated on *ad hoc* basis in the discretion of the licensing authority to meet the servicing/repairs requirements.

(v) There may be certain type of cases where the importer-cum-manufacturer holds a quota certificate for machinery/equipment/accessories and he may require the same goods for installation of a factory or for replacement purposes thereafter. In such cases, the established importer-cum-manufacturer would have the option to claim either the quota licences or an Actual User licence (including C.G./H.E.P.).

(3) *Definition of Associate concern for the above purpose.*—For the purpose of the above provisions, the following will be the criteria for determining that the concerns are associates:—

- (i) The actual user concern and the established importer concern are assessed to income tax jointly i.e. have a common I.V.C. Number or they have common ownership.
- (ii) The actual user concern and the established importer concern have separate I.V.C. Nos. and have no common ownership but the proprietor or any partner of one of such concerns is the proprietor or a partner having major share in the other concern.
- (iii) The actual user concern is a Limited Company and any Director of the Limited Company has interest in the established importer concern as proprietor.

203. *Re-import of goods after repairs abroad.*—(1) The goods which are covered by Saving (k) of Clause 11 of the Import (Control) Order 1955 dated 7th December 1955, can be re-imported into India from any country without import trade control restrictions.

(2) In the case of goods which are not covered by the Saving Clause mentioned above, and which are exported for repairs and subsequent return, the importer should secure an import licence in advance, and the goods for repairs should be exported only after obtaining the licence for their re-import. The application for import licence should be made to the licensing authority concerned. Failure to comply with this requirement will render the application for licence/Customs Clearance Permit for re-import of the goods repaired liable to be rejected. In cases where the re-import of articles after repairs involves foreign exchange, the amount to be remitted towards the cost of repairs, freight and insurance should be indicated in the application for licence.

204 *Re-import of samples of Indian origin sent abroad for the purpose of securing orders.*—(1) For re-importation into India of samples sent or taken over to foreign countries by Indian business men, a provision already exists in Saving (k) of Clause 11 of the Imports (Control) Order 1955 whereby such samples as are exempt from payment of Customs duties on re-importation, would be allowed clearance without an import licence. But in order to qualify for this concession, there are certain Customs formalities to be observed and the Indian traders who do not comply with such formalities have

to face difficulties in the clearance of such samples on re-importation. Therefore the trade, in its own interest, should contact the Customs authorities before exporting the samples to foreign countries and ensure that the conditions qualifying for the duty free re-importation of the samples are fulfilled.

(2) However, in cases where samples on re-importation do not qualify for the above concession, it is open to the Indian businessmen to secure import licences in advance to cover the re-import. Applications for import licences for the re-importation of such samples should be submitted to the port licensing authorities and should be accompanied by an evidence to show that the samples which were taken over, or sent to foreign countries, are being re-imported.

(3) In the case of businessmen/industrialists returning from abroad, who are bringing in such samples, the requirement regarding submission of I.V.C. Registration/Exemption Number will be dispensed with for the purpose of the application for import licence as in the case of such applicants, it may be difficult to comply with this requirement. In cases other than those of businessmen/industrialists returning from abroad, also, the requirement regarding production of I.V.C. Registration/Exemption Number will be dispensed with if the re-importation takes place within three years of export. The payment of application fee will be waived in all such cases.

205. *Import of samples and literatures relating to products to be manufactured for export.*—Applications for the import of samples and literatures relating to products to be manufactured in India for export, will be considered on merits on *ad-hoc* basis by the licensing authorities concerned. The applicants should give full justification for their requirements in such cases. The applications should be made in the form prescribed for actual users and should be accompanied by a Treasury Receipt for the requisite amount towards application fee.

206. *Import of empty gas cylinders for re-export after being filled with gas.*—Applications for the grant of Customs Clearance Permits will be considered by the licensing authority concerned for the import of empty gas cylinders falling under Serial No. 65(5)(iii)/V of the I.T.C. Schedule which are to be re-exported after being filled with gas. The procedure to be followed in such cases will be as under:—

- (a) The importers should apply for a Customs Clearance Permit to import empty gas cylinders in respect of their six months requirements i.e. the number of cylinders which they will be able to re-export after being filled with gas within a period of six months. The application should be supported by a certificate from the Director of Explosives in respect of cylinders applied for.
- (b) The applicants should also produce evidence to show that their requirements are genuine and that they have been in the particular trade.

- (c) The Customs Clearance Permits where granted will be subject to the condition that the licensee shall re-export the cylinders after filling them with gas within a period of six months from the date of importation. The importer will also be required to execute a bond with a surety from an insurance company or a chamber of commerce at the time of importation of the cylinders for compliance with this condition. However, in the case of importers of good standing who have been in the line and whose past performance has been satisfactory, the licensing authority concerned may in its discretion dispense with the surety

207. *Import of Machinery and Equipment designed on the Metric System.*—(1) Legislation has been enacted to decimalize currency, weights and measures. The Coinage (Amendment) Act, 1955 was brought into force on 1st April, 1957, and decimal coinage is now in circulation in the country. The Standards of Weights and Measures Act, 1956 has been brought into force with effect from the 1st October 1958 in certain specified areas in States and Union Territories and in respect of certain specified classes of undertakings and of goods. The Act provides for a transitional period of 10 years from its date of enactment. The adoption of the metric system of weights and measures must, therefore be completed by December 1966.

(2) Importers of machinery are requested to take note of these developments and to endeavour to import only machinery which should, as far as possible, be able to work to metric measurements. It is realised that for a certain number of years both the metric and the foot-pound systems have to continue side by side. To the extent, therefore, that machinery and equipment on footpound system is required for replacements either in regard to spare parts or even complete machines, their imports will be allowed after scrutiny of their need.

(3) Consequent on the decision of the Government of India to introduce from August 1960 the Metric System of Weights and Measures in the levy and collection of Customs duties, it was decided to adopt the Metric system of weights and measure from 1st October 1960 for the purpose of Import and Export Trade Control also, to the extent indicated below:—

- (i) All shipping documents relating to imports, exports and re-export will be in Metric Units. However, to suit the requirements of Customers in foreign countries which are not on metric system, the exporters may use British Units as well in their invoices, etc. at the request of their customers. Shippers in foreign countries such as United Kingdom, United States of America or other countries, which are not on metric system, will have the option to use British Units in their shipping documents, invoices, etc.
- (ii) Where licensing is on the basis of quantity, new quota certificates/licences will be issued in Metric Units; even otherwise quantities in licences will be shown in Metric Units, wherever necessary.

- (iii) While applying for licences importers will be required to mention quantity in Metric Units.

208. *Import of Transformer Oil together with power transformers.*—(1) Oils supplied for the first filling along with the transformer may be treated as part of the transformer and its clearance may be allowed against licences issued for transformers. It may, however, be noted that the quantity of transformer oil so allowed should not in any case exceed the capacity of the tank of the transformer. It is also necessary to ensure that the c.i.f. value of the oil plus the c.i.f. value of the transformers should be covered by the c.i.f. value specified in the licence for transformers.

(2) Where the oil and the relative transformer are shipped from different countries, a separate import licence would be necessary for the oil. This would not, however, apply if the licence for transformer has been specifically made valid to cover transformer oil required with it, subject to the prescribed conditions, if any, being fulfilled.

209. *Priorities for release of Raw films to the industry.*—(1) The following relative priorities will be adopted by the licensing authorities for release of raw films to the film industry:—

1. Pictures started before 7th June, 1957 which had been in progress and are in advanced stage of production. This would apply only to established regular producers.
2. Regular producers—
 - (a) Producers who have past export performance to their credit; or
 - (b) Studio owner producers who have been continuously producing pictures for four years ending 31st December, 1958; or
 - (c) Producers who have produced two or more full length feature films in the four years ending 31st December, 1958,
3. Producers who have past record of at least one picture censored between 1952 and 7th June, 1957.
4. Producers without past record but who had started their picture before 7th June, 1957.
5. Studio owners without past record.
6. Producers without past record but who have started their pictures after 7th June, 1957.

7. Partners and directors of firms and companies which have past record but which are now inactive.
8. New Comers.
9. Special cases will be considered on merits on an *ad hoc* basis.

(2) There will be no relative *inter se* priority amongst Regular Producers under Categories 2(a), (b) and (c) above. Raw stock will be released to Regular Producers on the recommendations of the Regional Advisory Committees, provided they are satisfied that necessary arrangements have been made for commencing production of the picture in question. Raw film stock released to Regular Producers will ordinarily be limited to the best years' performance of the applicant in relation to the number of pictures certified in his/their name in any one of the four years ending 31st December, 1958. However, applications for production over and above their normal entitlement will be considered on the recommendations of the Regional Advisory Committees by the C.C.I. in consultation with the Central Advisory Committee, depending upon the availability of raw stock.

(3) Applications from other than Regular Producers will be considered by Joint Chief Controller of Imports and Exports, Bombay/Calcutta/Madras on the recommendations of the Regional Advisory Committee provided they are satisfied that the applicants have made all the necessary arrangements for producing the picture in question. For this purpose, the Regional Advisory Committee may, if necessary, call for such evidence regarding agreements with Distributors, main Artists, Studios, Laboratories, Financiers etc. as may be considered necessary.

(4) In applying for a permit to produce a picture, all categories of producers will be required to indicate the manner in which raw stock was obtained for the production and prints of their last picture released for exhibition after 11th February, 1959. Unless releases of raw stock were obtained in a regular manner, the issue of a permit for release of raw stock will not be considered.

(5) On the admission of a case for a permit, release orders of raw stock will be issued for a quantity normally not exceeding 5 rolls each of negative, sound and positive for rushes. Subsequent supplies will be made only on production from time to time of the relevant Camera, Sound and/or Laboratory reports of shooting already done indicating the extent of raw film consumed. Such reports should be signed by authorised executives of the studios and laboratories concerned. Subsequent supplies will be restricted normally to certified consumption.

(6) Certain limitations may also have to be placed on total consumption of film and sound negative per picture and the number of

prints that may be permitted to be processed. These limitations will apply uniformly to applicants in the three respective regions in accordance with the recommendations of the Regional Advisory Committees and as approved by the Central Advisory Committee.

(7) Regional Committees have been requested to review permits and release orders already issued and, in cases where production has not commenced even though stocks have been drawn, the permits will stand cancelled and the producers will be required to obtain fresh permits under the revised arrangements before the picture is commenced. Permits or release orders already issued but against which stocks have not been drawn within the time limit specified therein, will stand automatically cancelled.

(8) Any imports of raw films against licences granted under the Export Promotion Scheme will have to be declared. It would constitute a part of the Export Reserve Pool, unless the licensee is a producer and has obtained prior permission for the use of the stock for his own production after satisfying the prescribed conditions. Imported raw stock against export promotion licences forming a part of the raw film export reserve pool will only be sold against release orders of the licensing authority at such a profit margin as may be permitted by that authority.

(9) Incomplete picture commenced after 1st January, 1956 and of which at least 4,000 ft. edited length of picture has been completed before the 31st December, 1958, will be eligible for supply of further raw stock required for completion of that picture, provided an application has already been made to the concerned authority prior to 10th February, 1959. In no circumstances will raw stock be made available for completion of incomplete picture started after 1st January, 1959, without obtaining a regular permit from the Regional Licensing Authority.

(10) Coloured raw stock will not be released for any production except for advertisement shorts and documentaries. Coloured film will only be made available to producers applying under the Export Promotion Scheme. For this purpose, import against export earnings may be permitted in the ratio of 4:5.

(11) Decisions taken by the Port Licensing authorities regarding release of raw film will be displayed on the Notice Board of the Port Import Trade Control office concerned indicating the priorities against each for the information of the public.

(12) Any appeal against the decision of the Regional Licensing authority should be made to the C.C.I. & E. New Delhi through the Regional Authority concerned.

210. *Duplicate copies of import licences.*—(1) Where a licence is lost or misplaced, the application for the issue of a duplicate copy of the licence will be considered and a duplicate copy will be issued if

the licensing authority concerned is satisfied in regard to the bonafides of the case.

(2) The application for the issue of duplicate copy of the licence should be submitted to the licensing authority who issued the original licence. Such applications should be accompanied by an affidavit on a stamped paper in the form prescribed in Appendix (6) to this book duly sworn in before a magistrate or an oath commissioner or notary public.

(3) The duplicate copy of the licence will be endorsed by the issuing authority in block letters as follows:—

“DUPLICATE: ORIGINAL LOST AND NOT TO BE UTILISED”

(4) When a duplicate copy of a licence is issued, the licensing authority concerned will intimate the fact to all the other Import Trade Control authorities and the Customs authorities at the ports. Where a duplicate copy of the licence is issued with Exchange Control Copy, the Reserve Bank of India of the circle concerned, will also be informed accordingly by the licensing authority concerned.

211. *Licences issued in duplicate.*—Import licences are generally issued in duplicate. One of the copies known as the Customs Purposes copy is to be presented by the importer along with the bills of entry, to the Customs authorities for obtaining clearance of the goods imported. The other i.e., the ‘Exchange Control’ copy is to be presented by the importer to the bank for the purpose of opening a letter of credit or making remittance of foreign exchange. Where no remittance of foreign exchange is involved, the Exchange Control copy of the licence is not issued.

212. *Form of Affidavit.*—(1) Applicants for import licences are sometimes required to furnish certificates or declarations along with their applications for import licences. Unless otherwise provided, such certificates or declarations need not be given on a stamped paper and also need not be sworn in before a magistrate or an oath commissioner etc. Such declarations or certificates can ordinarily be signed by the proprietor, partner or managing director of the applicant concern or by a person duly authorised to sign any legal declaration or document on behalf of the applicant.

213. *Complaints regarding the delays in the disposal of applications/correspondence.*—(1) Every effort is made to avoid delays in the disposal of applications for licences or correspondence. Reminders in regard to the delayed cases are attended to promptly by the licensing authorities.

(2) Complaints regarding delay addressed to the Chief Controller of Imports and Exports, New Delhi, should be specifically marked

“Complaint against delay” at the top of the communication containing the complaint.

(3) The applicant should also bring cases of delay to the personal notice of the Public Relations Officer in the Import Trade Control office concerned. The Public Relations Officer of the rank of the Deputy Chief Controller of Imports and Exports has been appointed at the headquarters of the office of the Chief Controller of Imports and Exports, New Delhi. In the regional offices, the Public Relations Officers of the rank of Controller/Assistant Controller have been appointed.

214. *Addressing of communications to Import Trade Control Organisations.*—It is noticed that telegrams and letters received by the licensing authorities from the trade by way of reminders do not often contain sufficient details to enable the licensing authorities to locate the previous papers. With a view to avoid delay in the disposal of such communications, the trade should give brief details of the reference received by them from the licensing authority concerned the particulars of the goods sought to be imported and the I.T.C. Classification of such goods.

215. *Enquiries regarding the position of applications.*—In certain urgent cases, it may be necessary for importers to find out the position of particular applications. For this purpose arrangements exist to intimate to the parties concerned the position of such cases. The importers are, therefore, advised to fill up the import enquiry slip *vide* Appendix (19) and hand it over to the Enquiry Officer working in each Licensing office, who will intimate them as to when the information will be available. The importers should call at the office on the appointed time and date and obtain the necessary information.

216. *Interviews.*—Ordinarily, all matters should be settled by correspondence. However, in cases where the importers consider it necessary to discuss in person, matters relating to general policy and principles of Import Trade Control or they wish to make a personal submission in the case of appeals and representations against orders passed in individual cases or they desire to present their case in person in respect of any application for licence, they may book an interview with the officer concerned. The interviews with the officers other than the Chief Controller of Imports and Exports and the heads of the regional licensing offices should be booked in advance at the Enquiry Office which is attached to each licensing office. Appointments to see the Chief Controller of Imports and Exports/heads of the regional licensing offices should, however, be arranged through their private secretaries. The importers should give the purpose of interview and the particulars of their case in the prescribed proforma *vide* Appendix (20) to this book. Except where otherwise authorised, interviews will be granted only by officers of the rank of Controller or above. It should be noted that the person desiring to book an interview should be the accredited representative of the applicant and he should comply with all the

regulations concerning the interviews which are prominently displayed on the trade notice boards in all the licensing offices or otherwise publicised. Entry in the rooms occupied by the clerical establishments or personal contact with the staff of the Import Trade Control Organisation is strictly prohibited.

APPENDIX I

[Vide para. 2 of Chapter I]

Imports and Exports (Control) Act, 1947 as amended upto 18th March, 1964.

An act to continue for a limited period powers to prohibit or control imports and exports.

WHEREAS it is expedient to continue for a limited period, powers to prohibit, restrict or otherwise control imports and exports.

It is hereby enacted as follows:—

1. *Short title, extent, commencement and duration.*—(1) This Act may be called the Imports & Exports (Control) Act, 1947.

(2) It extends to the whole of India.

(3) It shall come into force on the 25th day of March 1947, and shall remain in force until the 31st day of March, 1966.

2. *Interpretation.*—In this Act,

“Import” and “Export” means respectively bringing into, and taking out of India by sea, land or air;

3. *Powers to prohibit or restrict imports and exports.*—(1) The Central Government may, by order published in the Official Gazette, make provisions for prohibiting, restricting or otherwise controlling, in all cases or in specified classes of cases, and subject to such exceptions if any, as may be made by or under the order:—

(a) the import, export, carriage coastwise or shipment as ships stores of goods of any specified description;

(b) the bringing into any port or place in India of goods of any specified description intended to be taken out of India without being removed from the ship or conveyance in which they are being carried.

(2) All goods to which any order under sub-section (1) applies shall be deemed to be goods of which the import or export has been prohibited or restricted under section 19 of the Sea Customs Act, 1878 (VIII of 1878) and all the provisions of that Act shall have effect accordingly, except that section 183 thereof shall have effect as if for the word “shall” therein the word “may” were substituted.

(3) Notwithstanding anything contained in the aforesaid Act, the Central Government may, by order published in the Official Gazette, prohibit, restrict or impose conditions on the clearance, whether for home consumption or for shipment abroad of any goods or class of goods imported into India.

4. *Continuance of existing orders.*—All orders made under rule 84 of the Defence of India Rules or that rule as continued in force by

the Emergency Provisions (Continuance) Ordinance, 1946 (Continuance of Existing Orders, XX of 1946), and in force immediately before the commencement of this Act shall so far as they are not inconsistent with the provisions of this Act, continue in force and be deemed to have been made under this Act.

4-A. *Fees for applications for, and issue or renewal of, licences.*—The Central Government may by order levy, subject to such exceptions, if any, in respect of any person or class of persons as may be specified in the order, any fee in respect of any application or in respect of any licence granted or renewed under any order made or deemed to have been made under this Act.

5. *Penalty.*—If any person contravenes, or attempts to contravene, or abets a contravention of, any order made or deemed to have been made under this Act or any condition of a licence granted under any such order, he shall, without prejudice to any confiscation or penalty to which he may be liable under the provisions of the Sea Customs Act, 1878 (VIII of 1878), as applied by sub-section (2) of Section 3, be punishable with imprisonment for a term which may extend to one year, or with fine, or with both.

6. *Cognizance of offences.*—No Court shall take cognizance of any offence punishable under section 5 except upon complaint in writing made by an officer authorised in this behalf by the Central Government by general or special order, and no Court inferior to that of a Presidency magistrate or a Magistrate of the first Class shall try any such offence.

7. No order made or deemed to have been made under this Act shall be called in question in any Court, and no suit, prosecution or other legal proceeding shall lie against any person for anything in good faith done or intended to be done under this Act or any order made or deemed to have been made thereunder.

APPENDIX 2

[Vide para. 2 of Chapter I]

GOVERNMENT OF INDIA

MINISTRY OF COMMERCE AND INDUSTRY

Imports (Control) Order, 1955 (as amended upto 18-3-1964)

New Delhi, the 7th December, 1955

No. 17/55.—In exercise of the powers conferred by sections 3 and 4A of the Imports and Exports (Control) Act, 1947 (18 of 1947) as in force in India and as applied to the State of Pondicherry, the Central Government hereby makes the following Order, namely:—

ORDER

1. *Short title and Commencement.*—(1) This order may be called the Imports (Control) Order, 1955.

(2) It shall come into force at once.

2. *Definition.*—In this order, unless the context otherwise requires,—

- (a) 'the Act' means the Imports and Exports (Control) Act, 1947 (18 of 1947);
- (aa) 'application for licence' includes any application made under the Import Trade Control Regulations;
- (aaa) "Chief Controller of Imports and Exports" includes a Joint Chief Controller of Imports and Export and a Deputy Chief Controller of Imports and Exports;
- (aaaa) 'licence' includes a customs clearance permit issued under this Order;
- (b) "Licensee" means a person to whom a licence or a Customs clearance permit is granted under this order;
- (c) Licensing authority means an authority competent to grant a licence or Customs clearance permit under this Order;
- (d) "Schedule" means a schedule to this Order;
- (e) 'Value' has the same meaning as in sub-section (1) of section 14 of the Customs Act, 1962 (52 of 1962);

3. *Restriction on Import of certain Goods.*—(1) Save as otherwise provided in this Order, no person shall import any goods of the description specified in Schedule I, except under, and in accordance with, a licence or a customs clearance permit granted by the Central Government or by any officer specified in Schedule II.

(2) If, in any case, it is found that the goods imported under a licence do not conform to the description given in the licence or

were shipped prior to the date of issue of the licence under which they are claimed to have been imported, then, without prejudice to any action that may be taken against the licensee under the Customs Act, 1962 (52 of 1962), in respect of the said importation, the licence may be treated as having been utilised for importing the said goods;

3-A. In cases where the importer is unable to produce the licence which has already been granted to him at the time of arrival of goods, the Customs Collector may at his discretion, allow the importer to secure the clearance of goods, on execution of a bond or letter of guarantee to the effect that he holds, a valid licence in respect of the imported goods and shall produce the same within a period to be specified by the Customs Collector, failing which he shall pay to the Customs Collector such amount as may be stipulated in the bond or letter of guarantee without prejudice to any action that may be taken against him under the Customs Act, 1962 (52 of 1962) for unauthorised importation of the goods concerned.

4. *Fees on Application for Licences.*—(1) Every application for a licence shall be made to the appropriate licensing authority.

(2) A fee as indicated in Schedule III shall be paid in respect of every application in the manner provided in the said Schedule:

Provided that no fee shall be payable in respect of any application when made by:—

- (a) the Central Government, a State Government or any department or office of the Central Government or State Government;
- (b) any local authority for the import of goods required for its own consumption;
- (c) any educational, charitable or missionary institution for the import of goods required for its own consumption;
- (d) an application for review of an order (i.e. first appeal) made on an application for a licence to the licensing authority who originally dealt with the case.

*The fee once received will not be refunded under any circumstances except—

- (i) where the fee has been deposited in excess of the prescribed scale;
- (ii) where the fee has been deposited, but no application has been made;
- (iii) where the fee has been deposited, and the application has been made, but the item to which the application relates is placed on an Open General licence on or after the date of application;

- (iv) where the fee has been deposited in error, but the applicant is exempt from payment of licence fee;
- (v) where the fee has been deposited and the application made, but the policy governing the issue of import licences has been changed subsequent to the date of application, thereby rendering the application ineligible for the grant of licence.

*NOTE.—Fees paid in respect of Appeals made to the Chief Controller of Imports and Exports shall not be refunded under any circumstances.

5. *Conditions of Licence.*—(1) The licensing authority issuing a licence under this Order may issue the same subject to one or more of the conditions stated below:—

- (i) that the goods covered by the licence shall not be disposed of, except in the manner prescribed by the licensing authority, or otherwise dealt with, without the written permission of the licensing authority or any person duly authorised by it;
- (ii) that the goods covered by the licence on importation shall not be sold or distributed at a price exceeding that which may be specified in any directions attached to the licence;
- (iii) that the applicant for a licence shall execute a bond for complying with the terms subject to which a licence may be granted.

(2) A licence granted under this Order may contain such other conditions, not inconsistent with the Act or this Order, as the licensing authority may deem fit.

(3) It shall be deemed to be a condition of every such licence, that:—

- (i) no person shall transfer and no person shall acquire by transfer any licence issued by the licensing authority except under and in accordance with the written permission of the authority which granted the licence or of any other person empowered in this behalf by such authority.
- (ii) that the goods for the import of which a licence is granted shall be the property of the licensee at the time of import and thereafter upto the time of clearance through Customs.
- (iii) the goods for the import of which a licence is granted shall be new goods unless otherwise stated in the licence.

(4) The licensee shall comply with all conditions imposed or deemed to be imposed under this clause.

6. *Refusal of Licence.*—The licensing authority may refuse to grant a licence:—

- (a) if the application for the licence does not conform to any provision of this order;
- (b) if such application contains any false, or fraudulent or misleading statement;
- (c) if the applicant uses in support of the application any document which is false or fabricated or which has been tampered with;
- (cc) if the licensing authority considers that the grant of the licence will not be in the interest of conserving foreign exchange;
- (ccc) if the activities of the applicant are prejudicial to the interests of the State;
- (cccc) if the applicant has, on any occasion committed breach of any law (including any rule, order or regulation) relating to customs or foreign exchange;
- (d) if the applicant on any occasion has tampered with an import licence or has imported goods without a licence or has been a party to any corrupt or fraudulent practice in his commercial dealings or in obtaining any licence, or is found to have solicited licences by offering an inducement to the holder of the licence or otherwise;
- (dd) if any agent or employee of the applicant has been a party to any corrupt or fraudulent practice in obtaining the licence for the applicant;
- (e) if the application for an import licence is defective and does not conform to the prescribed rules;
- (f) if the applicant contravenes or attempts to contravene or abets the contravention of any order made or deemed to have been made under the Act or any condition of a licence granted under any such order or commits a breach of the Import Trade Control Regulations;
- (g) if the applicant is not eligible for a licence in accordance with the Import Trade Control Regulations;
- (h) if the licensing authority decided to canalize imports and the distribution thereof through special or specialized agencies or channels;
- (i) if the applicant is a partner in a partnership firm, or a director of a private limited company, which is for the time being subject to any action under clause 8;
- (j) if the applicant is a partnership firm or a private limited company, any partner or director whereof, as the case may

be, is for the time being subject to any action under clause 8;

- (k) if any amount demanded from the applicant under section 39 of the Sea Customs Act, 1878, or any penalty imposed on him under section 167 of the said Act has remained unpaid for a period of three months;
- (l) if the applicant fails to produce any document that is called for by the Chief Controller of Imports & Exports or the Licensing Authority.

7. *Amendment of Licence.*—The licensing authority may, of its own motion or on application by the licensee, amend any licence granted under this Order in such manner as may be necessary to make such licence conform to the provision of the Act or this Order or any other law for the time being in force or to rectify any errors or omissions in the licence; Provided that the licensing authority may, on request by the licensee, amend the licence in any manner consonant with the Import Trade Control Regulations.

8. *Power to debar from receiving licences.*—The Central Government or the Chief Controller of Imports and Exports may debar a licensee or importer or any other person from receiving licences and direct, without prejudice to any other action that may be taken against him in this behalf, that no licence shall be granted to him for a specified period under this Order:—

- (a) if his application for licence is at any time found to be not in conformity with any provision of this Order; or
- (b) if such application is found to contain any false, fraudulent or misleading statement; or
- (c) if he is found to have used in support of his application any document which is false or fabricated or which has been tempered with; or
- (d) if he has, on any occasion, tempered with an import licence or has imported goods without a licence or has been a party to any corrupt or fraudulent practice in his commercial dealings or in obtaining a licence, or is found to have solicited any licence by offering an inducement to the holder of the licence or otherwise; or
- (e) if his agent or employee has been a party to any corrupt or fraudulent practice in obtaining any licence on his behalf; or
- (f) if he fails to comply with or contravenes or attempts to contravene or abets the contravention of any conditions embodied in, or accompanying, a licence or an application for a licence; or

- (g) if he commits a breach of any law (including any rule, order or regulation) relating to customs or the import and export of goods or foreign exchange; or
- (h) if he fails to produce any document that is called for by the Chief Controller of Imports and Exports or any other licensing authority.

8A. *Power to suspend grant of licences.*—The Central Government or the Chief Controller of Imports and Exports may suspend the grant of a licence to a licensee or an importer or any other person, pending investigation into one or more of the allegations mentioned in clause 8 without prejudice to any other action that may be taken against him in this behalf.

Provided that grant of a licence shall not ordinarily be suspended under this clause for a period exceeding twelve months:

Provided further that on the withdrawal of such suspension, a licence may be granted to him for the period of suspension subject to such conditions, restrictions or limitations as may be decided by the authority aforesaid, keeping in view the foreign exchange position, indigenous production and other relevant factors.

9. *Cancellation of licences.*—The Central Government or the Chief Controller of Imports and Exports or the Development Officer (Tools), Development Wing or any other officer authorised in this behalf may cancel any licence granted under this Order or otherwise render it ineffective;

- (a) if the licence has been granted through inadvertence or mistake or has been obtained by fraud or misrepresentation;
- (b) if the licence has been granted contrary to rules or the provisions of this Order;
- (c) if the licensee has committed a breach of any of the conditions of a licence;
- (cc) if the Central Government or such officer is satisfied that the licence will not serve the purpose for which it has been granted;
- (d) if the licensee has committed a breach of any law relating to customs or the rules and regulations relating to the import or export of goods or of any law relating to the regulations of foreign exchange.

10. *Opportunity of being heard to be given.*—No action shall be taken under clause 7 or clause 8 or clause 8A or clause 9 against a licensee or an importer or any other person unless he has been given a reasonable opportunity of being heard.

10A. *Declaration as to value, sort, quality, etc. of imported goods.*—On the importation into any customs port of any goods

whether liable to duty or not, the owner of such goods shall in the Bill of Entry or any other documents prescribed by rules, state the value, sort, quality and description of such goods to the best of his knowledge and belief and shall subscribe a declaration of the truth of such statement at the foot of such Bill of Entry or documents.

10B. *Utilisation of imported goods.*—(1) No person shall use any imported goods received by him during the allotment or distribution made by the State Trading Corporation of India or any other recognised agency, in a manner and for the purpose, otherwise than as declared by him in his application for such allotment or distribution or in any document submitted by him in support of such application.

(2) No person shall use or dispose of any goods imported by him against a licence on the strength of a letter of authority issued in his favour under the Import Trade Control Regulations except in accordance with the terms and conditions of such letter of authority.

11. *Savings.*—Nothing in this Order shall apply to the import of any goods:—

- (a) by the Central Government for Defence purposes;
- (b) by the Central Government or any State Government, Statutory Corporation, public body or Government undertaking run as a Joint Stock Company through the agency of the Purchase organisations of the Ministry of Works, Housing and Supply, i.e. India Stores Department, London, and India Supply Mission Washington;
- (c) by the Central Government, any State Government or any statutory corporation or public body or Government undertaking run as a Joint Stock Company, orders in respect of which are placed through the Directorate General, Supply and Disposals, New Delhi;
- (d) by transshipment, or imported and bonded on arrival for re-export as ships stores or otherwise to any country outside India, except Nepal, Tibet and Bhutan or imported and bonded on arrival for re-export as aforesaid but subsequently released for use of Diplomatic personnel, Consular Officers in India and the officials of the United Nations Organisation and its specialised agencies who are exempt from payment of duty under Ministry of Finance (D.R.) Notification No. 3 dated the 8th January, 1957 and United Nations (Privileges and Immunities) Act, 1947, respectively;
- (e) which are in transit through India by post, or are redirected by post to a destination outside India, except Nepal, Tibet, Bhutan provided that such goods while in India are always in the custody of the postal authorities;
- (f) for transmission across India by air to Afghanistan or by land, to any other country outside India, except Nepal,

Tibet and Bhutan under claim for exemption from duty or for refund of duty either in whole or in part, provided that such goods are imported by or on behalf of the Government of a country bordering on India or that the importer undertakes to produce within a specified period evidence that such goods have crossed the borders of India or in default to pay such penalty as the Collector of Customs may deem fit to impose on such goods and provided further that nothing therein contained entitles any goods to exemption from the Export Trade Control Regulations;

- (g) by the person as passenger's baggage to the extent admissible under the Baggage Rules for the time being in force, except quinine falling under serial number 114 of Part IV of Schedule I exceeding five hundred tablets or $\frac{1}{4}$ lb. powder or one hundred ampules:

Provided that in the case of imports by a tourist, articles of high value whose re-export is obligatory under rule 5 of the Tourist Baggage Rules, 1958, shall be re-exported on his leaving India, failing which they shall be deemed to be goods of which the import has been prohibited under the Sea Customs Act, 1878 (8 of 1878);

Provided further that where any goods are exempted under this sub-paragraph, the exemption shall be subject to the condition that such goods shall not be sold, or kept, displayed, advertised or offered for sale or displayed in a shop, until (a) in the case of arms and wireless reception instruments, the goods have been used for not less than three years after importation by such person or passenger or member of the crew, or (b) in the case of other goods their market-price has depreciated to less than fifty percent of their market-price when new.

- (gg) by the person through the post, for his private and personal use, except:—

- (i) post parcels of vegetable seeds falling under serial number 36 of part IV of Schedule I exceeding one lb. in weight;
- (ii) post parcels of artificial silk piecegoods falling under serial numbers 185 and 190 of part IV of Schedule I;

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- (iii) bees falling under serial number I of Part IV of Schedule I;

Provided that the c.i.f. value of such goods imported at any one time from Asian and non-Asian countries shall not exceed Rs. 50/- and Rs. 100/- respectively.

Provided further that the payment made in respect of such goods, other than those received as gifts, is authorised by the Reserve Bank of India.

Provided further that where any goods are exempted under this sub-paragraph, the exemption shall be subject to the condition that such goods shall not be sold, or kept, displayed, advertised or offered for sale or displayed in a shop, until (a) in the case of arms and wireless reception instruments, the goods have been used for not less than three years after importation by such person or passenger or member of the crew, or (b) in the case of other goods their market-price has depreciated to less than fifty per cent of their market-price when new.

- (h) covered by an Open General Licence issued by the Central Government;
- (i) covered by an executive instruction issued by the Chief Controller of Imports and Exports to the Customs authorities;
- (j) by or on behalf of Diplomatic personnel, consular officers and Trade Commissioners in India who are exempt from payment of Customs duty under Notification 3 dated the 8th January, 1957 of the Government of India in the Ministry of Finance (Deptt. of Revenue);
- (k) from any country, which are exempt from Customs duty on re-importation under Section 25 of the Sea Customs Act, 1878 (8 of 1878) or under Customs Notification Nos. 113, dated 16th May, 1957, 322, dated 27th December, 1957, 103, dated 25th March, 1958, 260 and 261, dated 11th October, 1958, 269, 270, 271, 273, 274, 275 and 276, dated 25th October, 1958 and 58, dated 27th May, 1961 of the Government of India, Ministry of Finance (Department of Revenue);
- (l) of Indian manufacture and foreign made parts of such goods, exported and received back by the manufacture(s) from the consignee for repair and re-export, provided that:—
 - (i) the Customs authorities are satisfied with the *bonafides* of the case, and
 - (ii) in the case of goods other than those exempt from customs duty on re-importation under Customs Notification No. 132, dated 9th December, 1961, a bond is executed by the importer with the Import Trade Control authority at the port concerned to the effect that the goods thus imported will be re-exported after repair within six months;
- (m) by officials of the United Nations Organisation and its specialised agencies who are exempt from payment of Customs duty under the United Nations (Privileges and Immunities) Act, 1947;
- (n) from any country, which are exempt from Customs duty under the Government of India, Ministry of Finance (Dept. of Revenue) Notification No. 224, dated 3rd August, 1958, provided that the vehicles and component parts thereof temporarily admitted under this provision without import Trade Control Restrictions shall be re-exported within

the period stipulated in the 'Triptyque' or 'Carnet-De-Passage' failing which this order shall apply to the vehicle and component parts and they shall be deemed to be goods of which the import has been prohibited under the Sea Customs Act:

Provided that nothing in these exceptions shall prejudice the application to any goods of any other prohibition or regulation affecting the import of goods that may be in force at the time such goods are imported.

- (o) covered by an import licence issued by His Majesty's Government of Nepal and the importer furnishes a bond to the collector of Customs in the form prescribed by the Collector of Customs with a Scheduled Bank as surety to the effect that he shall pay the duty and any penalty imposed for contravening Import Trade Control restrictions in respect of the whole or any portion of the goods which is not proved to have entered the territory of Nepal.

12. *Repeals.*—The orders contained in the notifications specified in Schedule IV are hereby repealed:

Provided that any thing done or any action taken, including any appointment made or licence issued under any of the aforesaid Orders, shall be deemed to have been done or taken under the corresponding provision of this Order.

SCHEDULE I

(See clause 3)

N.B.—Each entry in column (2) has the same meaning as in the item of the First Schedule to the Indian Tariff Act, 1934 (XXXII of 1934), specified against it in column (3) being the item which applies, wholly or in part, to the entry in column (2).

PART I

Serial No.	Name of article	Item of First Schedule to Indian Tariff Act, 1934
(1)	(2)	(3)
1	Calcium Molybdate, Molyte and other molybdenum products	28 and 70 (1)
2	Ferro-Tungsten	63 (1)
3	Ferro-Molybdenum	63 (1)
4	Ferro-Vanadium	63 (1)
5	Ferro-Titanium	63 (1)
6	Ferro-Phosphorus	63 (1)
7	Ferro-Columbium (also known as Ferro-Niobium)	63 (1)
8	Ferro-Selenium	63 (1)
9	Ferro-Silicon	63 (35)
10	Ferro-Chrome	63 (1)
11	Refined Ferro-Manganese (all grades below 3% Carbon)	63 (1)
12	Silico-Manganese	63 (1)
13	Silico-Spiegel	63 (1)
14	Ferro-Silicon-Zirconium	63 (1)
15	Iron or steel angle, channel, tee, flat beam or joist, zed, trough and piling.	63 (2)
16	(a) Iron or steel rounds, rods, squares, hexagons and other sections and shapes (and whether black or bright).	63 (3), 63 (14), 63 (19), 63 (20)
	(b) High speed, alloy and carbon tool steel sections, stainless and heat resisting steels	
17	Iron and steel pipes and tubes and fittings therefor including valves and boiler tubes cut to shape and size, and uncared mild steel tubes or cycle frames in lengths and cut to size, but excluding non-ferrous pipe fittings, flexible metallic tubes, and brass/copper coated tubes	63 (6), 63 (7), 63 (17), 63 (18) and 72 (3)
18	Iron or steel plates, medium plates, sole plates, terne plates, black plates, silver finished plates including cast iron plates	63 (7), 63 (19) and 63 (20)
19	Steel ingots and iron or steel, blooms, billets and slabs excluding pieces of less than 1½ inches square or thick.	63 (8)
20	Iron or steel structures, fabricated partially or wholly if made and mainly or wholly of iron or steel bars, sections, plates or sheets for the construction of buildings and colliery arches or pit props and parts thereof.	63 (9), 63 (28) and 63 (30)

(1)	(2)	(3)
21	Steel tinplates and tinned sheets, including tin taggers, and cuttings of such plates, sheets or taggers.	63 (10)
22	Iron and steel bolts, nuts, set screws, machine screws and machine studs but excluding bolts, nuts and screws, adopted for use on cycles.	63(12), 63(13) 75 (1) and 65 (5)
23	Iron and steel hoops and strips	63 (14) and 63 (34)
24	Iron and steel rivets	63 (15)
25	Iron of steel nails and washers, all sorts, not otherwise specified .	63 (16)
26	(i) Iron and steel sheets, less than 3 mm. coated and un-coated, galvanised, cellactite, including, tinnile Black Plates, and (ii) High Silicon Electrical Steel sheets, excluding laminations, Stampings and punchings	63(20), 63 (28) and 63(31)
27	Iron or steel rails, sleepers or fishplates for railways and tramways	63(21), 6 (22) & 63 (23)
28	Malleable Iron rail clips	63 (22)
29	Iron or steel wire rope and wire stand	63 (24)
30	Iron or steel wire whether plain or barbed (excluding uncoated electrodes)	63(24), 63(25) & 63(32)
31	Iron or steel wire nails	63 (25)
32	Deleted	
33	Deleted	63 (3), 63(25) & 63(28)
34	Iron or steel wire rods coated or uncoated (excluding electrodes)	63 (3), 63(25) (28)
35	Iron or steel wirenetting	63 (28)
35-A	Iron or steel welded fabrics (other than bar and rod) specially designed for the reinforcement of concrete.	63 (26)
36	Iron or steel wire chain link fencing, wire mesh, wire staples (excluding machine staples) and boot and shoe grindery	63(16), 63(25) 63(28), 20, 28 22(3) and 87
37	Steel sheet	63 (28)
38	Iron and Steel castings (unmachined) and iron and steel chains all sorts including ship chains but excluding all types of transmission chains	63 (11) and 63 (28)
39	Steel die blocks	63 (28)
40	Unmachined steel forgings including forged steel balls	63 (28)
40-A	Old Iron and Steel, including defective cuttings and remelting scrap.	63
41	Copper, wrought including the following viz., rod, section, strip, tape, foil, pipe, sheet including highly polished sheet specially prepared for making process blocks, lithographic sheets and the following manufactures, viz., copper perforated sheets and sheet cut to size, tubes, rods and pipes cut to shape and size	64, 64(3), 64(4) 64(5) 72(2) and 72(3)
42	Copper scrap whether ingotted or otherwise	64 (1)
43	Lead, wrought including the following viz., pipes tubes, foil, wire, and sheet including sheet for tea chests.	67, 67(1) and 67 (2)
43-A	Lead ingots, pigs and lead scrap	67 (3)
43-B	Antimonial lead in the ingot and wrought form including the following, namely, pipe tube and sheet.	70 (1)

(1)	(2)	(3)
44	Zinc or spelter, unwrought, including zinc dross dust, ashes and zinc in the form of ingots, cake tile slab, plate and granulations including all forms of zinc scrap and zinc wrought including wire, rod, sections, sheet including highly polished sheet specially prepared for making process blocks, lithographic sheet and the following manufactures, <i>viz.</i> , zinc perforated and sheet cut to size.	68, 68(1), 68(2) 68 (3), 72(2) and 72(3)
45	Tin-blocks, tin-scrap and tin-plate scrap	69 & 69(1)
45-A	Tin, wrought including the following <i>viz.</i> , foil and wire	70 (1)
45-B	White metal (antifriction metal), solders (including cored) and printing metals.	69 (2)
46	Brass, bronze and similar alloys wrought including the following, <i>viz.</i> , wire, rod, section, sheet, pipe, tube; unwrought and in the form of ingot and scrap whether ingotted or otherwise and the following manufactures, <i>viz.</i> , perforated sheets, sheet cut to size and pipe, rod and tube cut to shape and size including manufactures of Nickel Alloys and Nickel chrome Alloys but excluding chemical or imitation gold.	65, 70, 70 (A), 70 (4), 70(5), 70 (6) and 72 (3)
46	(b) Nickel base alloys and Nickel chrome alloys including manufactures and scraps thereof.	
47	Copper unwrought, ingots' blooms, slabs, cakes, tiles, blocks bricks, billets, cathodes, blister, bars (electrolytic wire bars).	64 (2)
47-A	Antimony ingots, gegulu and star metal	70 (1), 70 (2), and 70(3)
48	Nickel, including nickel scrap in all forms excluding manufactures thereof, but including Nickel pellets and Nickel Anodes	65 (1) and 70 (1)
49	All Copper base alloys including phosphor copper and cupro Nickel and scrap of such alloys in all forms but excluding all manufactures.	70 (1)
50	Monel Metal unwrought	70 (1)
51	Tungsten Metal Powder and other Tungsten products	70 (1)
52	Molybdenum Metal Powder	70 (1)
53	Calcium-Manganese-Silicon, and Calcium Silicide	70 (1) and 87
54	Iron and steel screws all sorts including those with gimlet points	63 (33) and 71
55	Steel earth wire for electric installations	72 (3)
55-A	Rolling Rolls for steel works (whether of cast iron, cast steel or forged).	72 (3)
56	Fabricated iron and steel sheets imported for the construction of coal tubs, and fabricated galvanised iron sheets for roofing railway Wagons	74
57	Iron of steel tyres, axles, wheels and buffers for locomotives wagons and carriages, whether for railways or tramways; and iron or steel railway or tramway springs, whether laminated or coiled	72 (3), 74, 74(1) 74(3), 75 and 75 (4)
58	Locomotive piston rods, motion parts	72 and 72(3)
59	Pig Iron	63 (4)

PART II

Serial No.	Name of article	Item of First Schedule to Indian Tariff Act, 1934
1	2	3
1	Dry battery wax, red and black, wooden separators and sealing compound for batteries and accumulators	15, 73, (7) and 87
2	Deleted.1	
3	Raw Manilla Hemp (fibre)	46 (4) (a)
4	Raw hemp excluding raw Manilla hemp (fibre)	46(4)
5	Raw Sisal fibre	46 (5)
6	Aloe fibre	46(5)
7	Sisal yarn	53
<i>Packing and joining material</i>		
7-A	Asbestors manufactures, not otherwise specified	58(1)
7-B	Packing—Engines and Boiler, all sorts, not otherwise specified	58(2)
7-C	Steam, Pneumatic and Hydraulic Packings for all machinery	72(3)
8	Ready-made boiler packing	72(3)
<i>Metals and manufactured thereof</i>		
9	Iron and steel, and articles made thereof expecting those covered by Parts I, IV, V and VI of this Schedule (including coated and uncoated electrodes, both rod and wire) and including nonferrous pipe, fittings, telescopic flush tubes, brass/copper coated tubes but excluding old iron and steel and articles made thereof.	63(1) to 63 (28)
10	Manufactures of copper, excluding scrap and those mentioned in Part I of the Schedule	64
11	German silver (including nickel silver, semi-manufactures and scraps thereof)	65
12	Aluminium circles, sheets and other manufactures, not otherwise specified	66
13	Aluminium in any crude form including ingots, bars, blocks, slabs, billets, shots and pellets	66(1) and 66(2)
14	Deleted.	
15	Zinc or spelter, manufactures, not otherwise specified, excluding scrap and those mentioned in Part I of the Schedule	68
16	Manufactures of brass, bronze and similar alloys, not otherwise specified, excluding scrap and chemical or imitation gold and those mentioned in Part I of the Schedule	70 and 70(6)
17	All sorts of metals and alloys other than iron and steel and manufactures thereof, not otherwise specified, excluding those mentioned in Parts, I, IV and VI, V of the Schedule	70(1), 70(7), 70(8) and 70 (9)
18	Racks for withering of tea leaf	71(6)

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Bearings

19	(1) Ball bearings	71, 72 (3), 72 (35) to 72 (38)
19	(2) (i) Roller bearings	72 (3) 72 (31) and 75 (11)
19(2)	(ii) Component parts of Roller bearings	71, 72 (3) 72 (38) and 75 (11)
19(3)	(i) Taper bearings	71, 72 (3), 75 (4), 75 (11)
19(3)	(ii) Component parts of Taper bearings	81, 72 (3) 75 (4), 75 (11)

Small, tools and hand tools

20	(1) Metal working tools	{ 71 & 72(3)
	(2) Wood working tools	
	(i) Saws	
	(ii) Cutters	{
	(3) The following Hand Tools	
	Blades, Hacksaw	
	Cutters, glass, Dressers, emery wheel and parts thereof;	
	Expanders, tube and parts thereof;	
	Files.	
	Rasp, and	
	Saws and parts thereof.	
	(4) Twist drills and reamers	71 & 72(3)

Precision and measuring tools

21	The following precision and measuring tools :	
	(1) Micrometers Universal Surface Gauges	71, 72 (3) and 77
	Vernier Height Gauges.	
	Vernier Depth Gauges.	
	Micrometer Depth Gauges.	
	Rule Depth Gauges.	
	Planer and Shaper Gauges.	
	Taper Parallel Gauges.	
	Screw Pitch Gauges.	
	Filter and Radius Gauges.	
	Feeler Gauges.	
	Thickness Gauge Stocks.	
	Twist Drill and Machine Screw Tap Gauges.	
	Calliper and Wire Gauges.	
	Drill and Wire Gauges.	
	Jobber's Drill Gauges.	
	Drill Point and Depth Gauges.	
	Rolling Mill Gauges.	

1	2	3
	English Standard Wire Gauges.	
	Dial Gauges.	
	Dial Test Indicators.	
	Lathe Test Indicator.	
	Straight Edges.	
	Indicator Attachments.	
	Vernier Callipers.	
	Universal Bevel Protractors.	
	Protractors.	
	Combination Sets.	
	Stainless Steel Draftsman's Protractors.	
	Gear-tooth Verniers.	
	Speed Indicators.	
	Hardened and Ground Steel Parallels	
	Die Maker's Squares.	
	Hardened Steel Squares.	
	Combination Squares.	
	Universal Bevels.	
	Automatic Centre Punches.	
	Combination Calliper and Dividers.	
	Steel Rules.	
	Measuring Tapes.	
	Feeler Gauge Strip.	
(2)	Toolmaker's Buttons	71
	<i>Abrasives</i>	
22	Sand papers and glass papers	30 and 30 (9)
23	Valve grinding pastes and compounds	32(3)
24	Grinding wheels and segments, abrasive grinding belts, rolls and discs	71(8) 81(12) & 72(3)
25	Carborundum, files, abrasive brisks, emery powder, emery grain, emery cloth, emery paper, abrasive grain and carborundum powder	30 (10) and 87
	<i>Crucibles</i>	
26	(1) Graphite crucibles for pit fired furnaces	87
	(2) Graphite crucibles including covers, muffle rings and stands for tilting furnaces	72(c) and 87
	(3) Silicon Carbide crucibles for pit fired furnaces	87
	(4) Silicon Carbide crucibles for tilting furnaces	72(c) and 87
	<i>Belting</i>	
27	Belt cement	32(3)
27-A	Belt Dressings	32(3) and 33
28	Belting for machinery, all sorts, including belt laces and belt fasteners	50(3) 72 and 72 (13)

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Machinery

- 29 Power driven road rollers and component parts thereof . 72(a) and 72(3)
- 30 Diesel engines of all types, and component parts thereof except spare parts for internal combustion engines of road vehicles type. 72(a) and 72(3)
- 31 Petrol gas and Kerosene engines of all types (excluding automobile units) and component parts thereof except spare parts for petrol internal combustion engines of road vehicle type. 72(a) and 72(3)
- 32 Motors and generators of any type sign and component parts thereof. 72(b) 72(3) and 72(14)
- 33 Pneumatic plants consisting of primemovers and auxiliary equipment including parts thereof and portable electric tools of all kinds and parts thereof. 72 (b) 72 (3) 72(6) and 73
- 33-A Industrial Exhaust fans and blowers 72 (b) 72(3) 72(6) and 73 (18)
- 33-B Compressors air or gas portable or stationary but not being imported as an integral part of any spray painting, a refrigerating or air conditioning equipment or as component part of any engine. 72(b) 72(3) and 72(6)
- 34 Power driven pumps, and component parts thereof, excluding trailer pumps. 72(b) 72(3) and 72(6).
- 34-A Polishing bobs and wheels, scratch brushes and scouring brushes which are component parts of polishing machines. 72(3) and 72(6)
- 36 The following articles of machinery not otherwise specified in this Schedule *when required for jute industry, hemp industry, tea industry, iron and steel production works, electric supply undertakings and mines and quarries.*
- (1) Primemovers, boilers, locomotives, engines and tenders for the same portable engines (including fire engines) and other machine in which the primemover is not separable from the operative parts. 72(a)
 - (2) Machines and sets of machines to be worked by electric, steam, water, fire or other power, not being manual or animal labour or which before being brought into use required to be fixed with reference to other moving parts 72(b)
 - (3) Apparatus and appliances to be operated by manual or animal labour which are designed for use in an industrial system as parts indispensable for its operation and have been given for that purpose some special shape for quality which would not be essential for their use for any other purpose 72(c)
 - (4) Control gear (other than electric) self-acting or otherwise, and transmission gear (other than electric), designed for use with any machinery above specified, including driving chairs, but excluding driving ropes not made of cotton and belting 72(d)
 - (5) Component parts as defined in Import Tariff Item No. 72(3) of machinery specified in clauses (1), (2), (3) and (4) above excluding those covered by Serial No. 68 of Part V of this Schedule 72(3)
 - (6) Machines or parts of machines to be worked by manual or animal labour, not otherwise specified, and any machine except such as are designed to be used exclusively in industrial processes which require for their operation

(1)	(2)	(3)
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less than one quarter of one-horse power excluding typewriters and sewing machines and parts thereof 27(6)

36-B The following :—

Hardware, ironmongery and tools, namely, agricultural implements, not otherwise specified, and pruning knives. 71(1)

- 37 (1) The following textile machinery and apparatus by whatever power operated required for jute and hemp textiles industries, namely, healds, heald cords and heald knitting needles; reeds and shuttles; warp and weft preparation machinery and looms; bobbins; dobbies; jacquard machines; jacquard harness linen cords; jacquard cards; punching plates for jacquard cards; warping mills; multiple box sleys; solid border sleys; tape sleys; swivel sleys; tape looms; heald knitting machines; dobby cards; lattices and lags for dobbies; sizing machines; doubling machines; cone winding machines; piano card cutting machines; harness building frames; card lacing frames; drawing and enting hooks; sewing thread balls making machines; cumbl finishing machinery; hank bolers; mail eyes; lingoes; take-up motions; temples and pickers; picking bands; picking sticks; printing machines 72(1) 72(3) & 72(40)

- 37 (2) Component parts as defined in Import Tariff Item No. 72(3) 72(3) 72(3) of machinery specified in clause (1) above, excluding those covered by Serial No. 68 of Part V of this Schedule.

37-A The following component parts of machinery when required for the Railways :—

Component parts, not otherwise specified in this Schedule of machinery, as defined in item 72(a) of the First Schedule to the Indian Tariff Act, 1934, namely, such parts only as are essential for the working of the machines or apparatus and have been given for that purpose some special shape or quality which would not be essential for their use for any other purpose, and excluding articles covered by Part VI of this Schedule : 72(3)

Provided that the articles which do not satisfy this condition shall also be deemed to be component parts of the machine to which they belong if they are essential to its operation, and are imported with it in such quantities as may appear to the Collector of Customs to be reasonable.

Electrical goods

- 38 Electric insulations, including presspahn (electrical grade) but excluding Ebonite rods, tubes and sheets. 45, 73, 82(5) & 87
- 38-A Electric N.O.S. for torches 60(2) & 60(5) 73
- 39 The following electrical instruments and accessories :— 71, 72(2), 72(3), 73, 73(1), 73(5), and 73(16) and 77(2)
- Indicating Switch board and Controller mounting instruments (Voltmeters, Ammeters, Wattmeters, Power Factor Meters, Frequency Meters, Synchroscopes). 77(2)
- Portable instruments (Portable Moving Coil and Moving Iron Volt-meters, Ammeters, Wattmeters, Power Factor Meters, Frequency Meters).

(1)

(2)

(3)

Recording Instruments—(Portable and permanent fixing recording Voltmeters, Ammeters, Watt-meters)

Meg, Meggers, Insulation testers and Accessories :

Ahmmeters.

Capacity Meters.

Maximum Demand Meters.

Wheatstone Bridge

Fault Locating Sets.

Potentiometers.

Instrument Transformers.

Time Switches.

Pyrometers and Thermocouples.

G.P.O. Detectors.

Standard Accessories such as, Connecting Leads Compensating Leads, Standard Cells, Resistance Boxes and Galvanometers for use with instruments.

House Service Meters A.C. and D.C. of any capacity.

Industrial and Street-lighting Fittings and Flood-lights, Tumbler Switches, Ceiling Roses, Plugs and Sockets, Porcelain Cuttouts and Lampholders.

Conduct Accessories.

Bell wiring Accessories (excluding wire)

40 Cable Accessories 72(3) and 73

41-A Synthetic Graphite and Amorphous Carbon electrodes as used in Electric Furnaces for production of iron, steel, ferro-alloy and non-ferrous metals. Synthetic Graphite and Amorphous Carbon electrodes for use in electrolytic process, electrode paste and Carbon Furnace (liner) Blocks for use in electric Furnaces 72(c)&72(3)

42 Electric control gear and electric transmission gear 72(d) and 72(39)

43 Bare hard drawn electrolytic copper wires and cables electrical wires and cables of other metals and alloys, whether insulated or not n.o.s. and poles and troughs, conduits and insulators designed as parts of transmission system and fittings thereof and also Flexible metallic tubes. 72(e) 72(12) & 73(19)

44 Electric fans, table and ceiling and parts thereof 3(18)

45 The following electrical instrument apparatus and appliances excluding automatic blackout control switches, namely :— 73(1) & 72(2)

Electrical Control Gear and Transmission Gear, namely switches (excluding switch boards) fuses and current breaking devices of all sorts and descriptions designed for use in circuits of less than ten amperes and at pressure not exceeding 250 volts ; and regulators for use with motors designed to consume less than 187 watts ; bare or insulated copper wires and cables any one core of which, not being one specially designed as a pilot core, has a sectional area of less than one-eightieth part of a square inch and wires and cables of other metals of not more than equivalent conductivity and line insulators, including also cleats, connectors leading in tubes and the like, of types and sizes such as are ordinarily used in connection with the transmission of power for other than industrial purpose and

(1)	(2)	(3)
the fittings thereof but excluding electrical earthenware and porcelain otherwise specified.		
46 The following Electrical Instruments Apparatus and Appliances namely, telegraphic and telephonic instruments, apparatus and appliances not otherwise specified, flash lights, carbons condensers, and bell apparatus, and switchboards, designed for use in circuits, of less than ten ampere and at pressure not exceeding 250 volts.	73(2), 73(8) and 73(14)	
46-A Accumulators and batteries including batteries for motor vehicles, wireless apparatus and train lighting and traction	72, 73(2) 73(4) 73(7), 73(15) 75(1) & 75(3)	
46-B Telegraphic instruments and apparatus and parts thereof imported by or under orders of Railway Administration.	73(3)	
Electrical earthenware and porcelain, the following, namely :—		73(5)
(a) Insulators, Shackle, Sinclair, Cordeaux, or Pin-type, not otherwise specified—		
(i) fitted		
(ii) not fitted		
(b) Two-way cleats.		
(c) Spacing insulators		
(d) Ceiling roses—		
(i) fitted		
(ii) not fitted.		
(e) Joint box cut-outs :—		
(i) fitted		
(ii) not fitted.		
48 Rubber Insulated Copper wires and Cables no core of which other than one specially designed as a pilot core, has a sectional area of less than one-eightieth part of a square inch, whether made with any additional insulating or covering material or not.	73(6)	
48-A Electric Exploders	
73		

Transport Material

49 Coal tubs, tipping wagons and the like conveyances designed for use on light rail track, if adapted to be worked by manual or animal labour and if made mainly of iron or steel ; and component parts thereof made of iron or steel excluding articles specified in Part I of this Schedule.	74	
50 Railway material for permanent-way and rolling stock, namely sleepers, other than iron and steel and fastenings thereof bearing plates, chains, interlocking apparatus, brakegear, shunting skids, couplings and springs signals, turn-tables, weigh bridges, carriages, wago is, traversers, rail removers, scooters, trollies, trucks ; also cranes, water-cranes and water tanks when imported by or under the orders of a railway administration	72(4) & 74(2)	

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Provided that for the purpose of this entry "railway" means a line of railway subject to the provisions of the Indian Railways Act, 1890, and includes a railway constructed in a State in India and also such tramways as the Central Government may, by notification in the official Gazette, specially include therein:

Provided also that articles of machinery as defined in Item No. 72 or 72(3) of the First Schedule to the Indian Tariff Act, 1934, shall not be deemed to be included hereunder.

51 Rubber fittings being component parts of railway carriages 74(3)

52 Component parts (other than rubber fittings being component parts of railway carriages and articles specified in Part I of this Schedule) of Railway materials; as defined in item No. 74(2) of the First Schedule to the Indian Tariff Act, 1934, namely, such parts only as are essential for the working of the railways and have been given for that purpose some special shape or quality which would not be essential for their use for any other purpose 74(3)

Provided that articles which do not satisfy this condition shall also be deemed to be component parts of the railway material to which they belong if they are essential to its operation and are imported with it in such quantities as may appear to the Collector of Customs to be reasonable

Miscellaneous

53 Safety lamps and spare parts thereof 77

PART III

- 1 Sodium Acetate; Sulphate of Alumina (iron free); Chromium Acetate, Hydrosulphite of Soda; Rangolite C or Formosul L; Sodium Nitrite; Textile Preservative; Desizing Agents; Levelling Agents; Penetrating Agents; Scouring Agents; Wetting out Agents; Emulsifying Agents; Mordanting Agents; Turb-o-v Red Oil; Oil and Grease Removers; Textile Oiling Agents; Solvents for Printing Discharging Agents; Anti-Reduction Kier Boiling; and Softening Agents 28
- 1-A Zinc Chloride 28(8) and 30(13).
- 1-B Dyes derived from coal tar, and coal tar derivatives used in any dyeing process 30(1), 30 (13) 30(15) and 30(16)
- 2 Cotton, raw 46(3)
- 3 Cotton ropes and bandings 50(4) and 53
- 4 The following articles of machinery not otherwise specified in this schedule when required for textile industries other than jute and hemp;
 - (1) Prime-movers, boilers, locomotive engines and tenders for the same, portable engines (including fire engines), and other machines in which the prime-mover is not separable from the operative parts 72(a)
 - (2) Machines and sets of machines to be worked by electric, steam, water, fire or other power, not being manual or animal labour, or which before being brought into use is required to be fixed with reference to other moving parts 72(b)

1	2	3
	(3) Apparatus and appliances, not to be operated by manual or animal labour, which are designed for use in an industrial system as parts indispensable for its operation and have been given for that purpose some special shape or quality which would not be essential for their use for any other purpose	72(c)
	(4) Control gear (other than electric), self-acting or otherwise, and transmission gear (other than electric), designed for use with any machinery above specified, including driving chains, but excluding driving ropes not made of cotton and belting	72(d)
	(5) Component parts, excluding hosiery needles as defined in Item No. 72(3) of the First Schedule to the Indian Tariff Act, 1934, of machinery specified in clauses, (1), (2), (3) and (4) above, but excluding those covered by Serial No. 68 of Part V of this Schedule	72(3)
	(6) Machines or parts of machines to be worked by manual or animal labour not otherwise specified and any machines (except such as are designed to be used exclusively in industrial processes) which require for their operation less than one quarter of one-brake-horse-power excluding typewriters and sewing machines and parts thereof and those articles that are covered by Part VI of this Schedule	72(6)
5 (1)	The following textile machinery and apparatus by whatever Power operated when required for textile industries other than jute and hemp, namely :— Blow-room machinery, Carding Engines, Combers, (including Silver Lap Machines, Ribben Lap machines, Lap former) Speed Frames, Draw Frames, Ring Frames, Warp and Woof Preparatory machinery (winding machines, Warp ing machine, sizing machine, Pirm Winding machine), Drawing-in and Twisting-in machines (Warp typing machine, Reaching machines, etc.), Doubling machines, looms (all types), Wool Carding, Spinning and Weaving machinery, Silk Throwing, Reeling, Twisting and Weaving machinery, Waste Spinning machinery (all types)	72(1), 72(24), 72(33), 72(40) and 72(b)
5(2)	Component parts as defined in Import Tariff Item No. 72(3) of machinery specified in clause (1) above, excluding those covered by Serial No. 68 of Part V of this Schedule	72(3)
5-A	Machine cloth	72(1) and 72(3)
5 (a)	Knitting machines including hosiery machines to be worked by manual labour or which require for their operation less than one quarter of brake horse power	72(10)
6 (b)	Knitting machines (including hosiery machines and embroidery machines) but excluding knitting machines requiring less than one quarter horse power for their operation	
5 (c)	Component parts for knitting machines, hosiery machines and embroidery machines falling under (a) and (b) above (excluding hosiery needles)	

PART IV

1	Animals, living all sorts	1 and 1(1)
2	Bacon and ham, not canned or bottled	1(2)
3	Fish, not otherwise specified	3
4	Fish, salted, wet	3(1)
5	Fish, salted, dry	3(2)

(1)	(2)	(3)
6	Fish, unsalted, dry	3(3)
7	Fishmaws, including singally and sozille and sharkfins . . . . .	.
8	Butter, cheese and ghee	4, 4(4) and 4(5).
9	Powdered milk containing not less than 18 per cent cream intended for infant feeding	4(1)
10	Milk, condensed or preserved, including milk cream, not otherwise specified	4(1) and 4(2)
11	Coral, unprepared	5
12	Cowries	5(1)
13	Shells	5(1)
14	Ivory, unmanufactured	5(2)
15	Plants, living, not otherwise specified	6
16	Rubber, stamps	6(1)
17	Potatoes	7
18	Vegetables, all sorts, excluding potatoes, fresh, dried, salted or preserved, not otherwise specified	7 and 7(1)
19	Coconuts	8
20	Cashew nuts	8
21	Fruits, all sorts, excluding coconuts and cashew nuts, fresh, dried, salted or preserved, not otherwise specified	8, 8(2) 8(3), 8(4) and 8(5)
22	Currants	8(1)
23	Coffee, not otherwise specified	9
24	Coffee, canned or bottled	9(1)
25	Tea	9(2)
26	The following spices, whether ground or unground, namely :— Cardamoms, cassia, cinnamon and pepper	9(3)
27	Cloves, all sorts, whether ground or unground	9(3)
28	Nutmegs	9(3)
29	The following unground spices, namely :—Chillies, ginger and mace	9(4)
30	Betelnuts	9(5)
31	Vanilla beans	9(6)
32	Grain, not otherwise specified including broken grain but excluding flour	10 and 10(2)
33	Flour, not otherwise specified	11
34	Sago flour	11(2)
35	Sago, tapioca and tapioca flour	11(3) and 11(6)
36	Vegetable seeds	12
37	Seeds, all sorts, not otherwise specified, excluding vegetable seeds	12 and 12(6)
38	Copra or coconut kernel	12(2)
39	Oilseeds non-essential, all sorts not otherwise specified, excluding copra or coconut kernel	12(2)
40	Rubber seeds	12(3)

(1)	(2)	(3)
41	Hops	12(4)
42	Fodder, bran and pollards	12(5)
43	Wattle extract	13
44	Wattle bark	13(1)
45	Barks for tanning, excluding wattle bark	13(1)
46	Cutch and gambier, all sorts	13(2)
47	Oilbanum and frankincense	13(3)
48	Gum, arabic	13(4)
49	Gum, Benjamin (ras and cowrie) and Dammer (including unrefined batu) and rosin	13(4) and 1(9)
50	Stick or seed lac	13(5)
51	Opium	13(6)
52	Cinchona bark	13(7)
53	Canes and rattans	14
54	Stearine	15(10)
55	All sorts of animal fats, not otherwise specified excluding Stearine	15
56	Wax, all sorts, not otherwise specified, excluding paraffin was and dry battery wax, red and black.	15
57	Deleted	
58	Lard, not canned or bottled	15(1)
59	Beeswax—	15(2)
60	Tallow	15(3)
61	Vegetable non-essential oils, not otherwise specified	15(6) and 15(11)
62	Coconut oil	15(7)
63	The following vegetable non-essential oils, namely, groundnut and linsced	15(7)
64	All sorts of animal oils, not otherwise specified	15(8) and 15(12)
65	Canned or bottled bacon, ham or lard	16
66	Fish, canned	16(1) and 16(3)
67	Isinglass, canned or bottled	16(2)
68	Sugar, excluding confectionery	17
69	Molasses	17(1)
70	Confectionery	17(2)
71	Sugar-candy	17(3)
72	Cocoa and chocolate other than confectionery	18
73	Biscuits and cakes	19 and 19(3)
74	Milk food for infants	19(1)
75	Vegetable product, pickles, chutneys, sauces, ketchups and condiments, canned or bottled	20
75-A	Jams, Jellies and Marmalades, canned or bottled	20(4)
76	Fruit Juices, Squashes, Cordials and Syrups, not otherwise specified	20(1)

1	2	3
76-A	Juices, either individually or in mixture, of apricots, berries, grapes, pineapples, plums and prunes	20(5)
77	Tomatoes, potatoes, onions and cauliflowers, canned or bottled	20(2)
77-A	Fruits, canned or bottled not otherwise specified	20(3)
77-B	Asparagus, canned	20(6)
77-C	Vegetables canned or bottled, all sorts, other than tomatoes, potatoes, onions and cauliflowers	20(7)
77-D	Canned fruits of the following description namely :—Apricots, Berries, Grapes, Plums and Prunes, and fruit salads composed of not less than 80 percent in quantity and in value of the above-named fruits	20(8)
77-E	Pineapples, canned	20(9)
78	Canned or bottled provisions, not otherwise specified	21, 21(1) 21(4) 21(5) and 21(6)
79	Provisions and oilman's stores and groceries, all sorts, not otherwise specified	21(1) 21(7) 21(8) 21(9) and 21(10)
80	All sorts of food, not otherwise specified	21(2)
81	All sorts of drink, not otherwise specified	22
82	Ale, beer, porter, cider and other fermented liquors	22(1) and 22(2)
83	Wines	22(3) and 22(4)
84	Brandy, gin and whisky	22(4)
85	Spirits, excluding essences containing spirit used for the manufacture or beverages, not otherwise, specified in this Schedule	22(4)
86	Deleted	
87	Drugs and medicines containing spirit	22(5)
88	Perfumed spirits	22(5)
89	Bitters and rum	22(5)
90	Denatured spirit	22(6)
91	Vinegar in casks	22(7)
92	Oilcakes	23
93	Tobacco manufactured, not otherwise specified	24
94	Cigars	24(1)
95	Cigarettes	24(2)
96	Tobacco unmanufactured	24(3)
97	China clay	25
98	Salt	25(1) and 25(2)
99	The following building and engineering materials, namely, chalk, lime and clay	25(3)

(1)	(2)	(3)
100	Cement, not otherwise specified	25(4)
101	Portland cement, excluding white Portland Cement	25(5)
102	Stone prepared as for road metalling	25(6)
103	Marble and stone, not otherwise specified	25(7)
104	Coal, coke and patent fuel	27
105	Mineral oil, not included in Item No. 27(4) or Item No. 27(6) of the First Schedule to the Indian Tariff Act, 1934 which is suitable for use as an illuminant in wick lamps	27(5)
106	Mineral oil—	27(7)
	(a) which has its flashing point at or above two hundred degrees of Fahrenheit's thermometer, and is ordinarily used for the batching of jute or other fibres	
	(b) which has its flashing point at or above one hundred and fifty degrees of Fahrenheit's thermometer, is not suitable for use as an illuminant in which lamps, and is such as is not ordinarily used except as fuel or for some sanitary or hygienic purposes.	
107	Deleted.	
108	Amalgams and preparations of mercury compounds but excluding anti-fouling composition and mercury compounds.	28
109	Drugs and medicines all sorts, not otherwise specified in this schedule	28, 28-A 28 (21) 28 (23) 28 (24) 28 (25) 28 (26) 28 (26-A) 28 (27) 28 (28) and 28 (31)
110	Deleted.	
111	Saccharine except in tablets and such other substances as the Central Government may, by notification in the Official Gazette, declare to be of a like nature or use to Saccharine	28 (9)
112	Saccharine tablets	28 (10)
113	Alkaloids of opium and their derivatives	28 (11)
114	Alkaloids extracted from Cinchona Bark including Quinine and Alkaloids derived from other sources which are chemically identical with alkaloids extracted from Cinchona Bark	28 (12)
115	Toilet requisites, not otherwise specified	28 (14) & 28 (30)
116	Cinematograph films, not exposed	29
117	Cinematograph films, exposed	29 (1)
118	Deleted	
119	Deleted	
120	Deleted	
121	Deleted	
122	Plumbago and graphite	30 (5)
123	Printers ink	30 (6)
124	Lead pencils	30 (7)

(1)	(2)	(3)
125	Slate pencils	30 (8)
126	Pine oil	31
127	Natural essential oils, all sorts, not otherwise specified, excluding pine oil	31
128	The following natural essential oils, namely:—citronella, cinnamon and cinnamon leaf	31(1)
129	The following natural essential oils, namely:—almond, bergamot, galupatti, camphor, clove, eucalyptus, lavender, lemon, otto-rose, and peppermint	31(2)
130	Essential oils, synthetic	31 (3)
131	Camphor	31 (4)
132	Perfumery, not otherwise specified	31 (5)
133	Soap, not otherwise specified	32
134	Soap, toilet	32 (1)
135	Soap, household and laundry	32 (2)
136	Polishes and compositions, excluding valve grinding pastes and compounds belt cement and belt dressings	32 (3)
137	Candles	32 (4)
138	Glue, not otherwise specified, excluding belt dressings	33
139	Glue, clarified, liquid	33 (1)
140	Fireworks specially prepared as danger or distress lights for the use of ships	34 (2)
141	Fireworks, not otherwise specified	34 (3)
142	Matches, undipped splints and veneers	34 (4)
143	Hides and skins, not otherwise specified	36
144	Hides and skins, raw or salted	36 (1)
145	Skins (other than Fur skins,) tanned or dressed and unwrought, leather	36 (2)
146	The following leather manufactures namely :—saddlery, harness, trunks and bags	37
147	Leather cloth including artificial leather	37 (2)
148	Manufactures of leather, not otherwise specified	37 (1)
149	Fur skins, dressed	38
150	Rubber, raw	39
151	Firewood	40 (1)
152	Furniture and cabinetware, not otherwise specified, excluding mouldings	40 (2)
153	Aluminium tea chest linings	40 (3)
154	Cork manufactures, not otherwise specified	41
155	Furniture of wickerworks or bamboo	42
156	Writing paper	44
157	Printing paper, excluding poster and stereo and all coated papers, but including art paper, all sorts, which contain no mechanical wood pulp or in which the mechanical wood pulp amounts to less than 70 per cent of the fibre content	44

(1)	(2)	(3)
158	Printing paper, all sorts, not otherwise specified which contain mechanical wood pulp amounting to not less than 70 per cent of the fibre content, excluding white printing paper mentioned in Serial No. 44 of Part V of this schedule	45
159	Paper, including poster and stereo and all coated papers except art papers, all sorts, not otherwise specified excluding paper and packing and wrapping paper	44
160	Packing and wrapping paper	44
161	Deleted	
162	Trade catalogues and advertising circulars imported by packet, book or parcel post	44 (5)
163	Deleted.	
164	Newspapers, old, in bags and bales	44 (7)
165	Steel pens	45 and 45(6)
166	Duplicating stencils	45
167	Fountain pens and parts thereof	45 and 45(3)
168	Articles made of paper and papier mache; stationery including drawing and copy books, labels, advertising circulars, sheet or card almanacs and calendars, Christmas, Easter and other cards, including cards in booklet forms; including also waste paper but excluding steel pens, duplicating stencils, fountain pens and parts thereof, pressphan paper rubber bands, erasers and stamp and rubber hand rollers for cyclostyling, and paper and stationery otherwise specified	44, 45, 45(4), 45(5), and 82 (5)
169	Standard technical books or books of reference concerning law and legal practice, or for use in connection with medical practice, scientific research or industrial processes	45 (1)
170	Books, printed, including covers for printed books, maps, charts, and plans, proofs, music manuscripts, and illustrations specially made for binding in books, but excluding books falling under Serial No. 169 of this Part of this Schedule	45 (1)
171	Prints, engravings, and pictures (including photographs and picture post-cards) on paper or hard board	455 (2)
172	Silk raw (excluding silk waste and nails) and cocoons	46
173	Silk waste and noils	46 (1)
174	Textile materials, the following :—Raw flax, jute and all other unmanufactured textile materials, not otherwise specified	46 (4) (b)
175	Silk yarn including thrown silk warps and yarn spun from silk waste or noils, but excluding sewing thread	47
176	Silk sewing thread	47 (1)
177	Artificial silk yarn and thread	47 (2)
178	Hand knitting wool	47 (4)
179	Cotton thread other than sewing or darning thread	47 (5)
180	Cotton twist and yarn	47 (6)
181	Cotton sewing thread	47 (6)
182	Cotton darning thread	47 (6)
183	Twist and yarn of flax or jute	47 (7)
184	Fabrics, not otherwise specified containing more than 90 per cent of silk, including such fabrics embroidered with artificial silk	48

(1)	(2)	(3)
185	Fabrics, not otherwise specified containing more than 90 per cent of artificial silk	48 (1)
186	Khaki, air blue, baratheia and other woollen fabrics, not otherwise specified, suitable for making uniforms and containing more than 90 per cent of wool, excluding felt and fabrics made of shoddy or waste wool	48 (2)
187	Woollen fabrics, not otherwise specified, (including shawl cloth) containing more than 90 per cent of wool, excluding felt and fabrics made of shoddy and waste wool, and the fabrics specified in serial No. 186 of this Part of this Schedule	48 (2)
188	Cotton fabrics, not otherwise specified, containing more than 90 per cent of cotton :— (a) grey piecegoods (excluding bordered grey chadars, dhoties saris and scarves). (b) printed piecegoods and printed fabrics. (c) cotton piecegoods and fabrics, not otherwise specified.	48 (3)
189	Fabrics, not otherwise specified, containing more than 10 per cent and not more than 90 per cent silk	48 (4)
190	Fabrics, not otherwise specified, containing not more than 10 per cent silk but more than 10 per cent and not more than 90 per cent artificial silk	48(5)
191	Khaki, air blue baratheia and other fabrics, not otherwise specified suitable for making uniforms and containing not more than 10 per cent silk or 10 per cent artificial silk but containing more than 10 per cent but not more than 90 per cent.	48(6)
192	Fabrics, not otherwise specified, containing not more than 10 per cent silk or 10 per cent artificial silk but containing more than 10 per cent but not more than 90 per cent wool, excluding fabrics specified in Serial No. 191 of this Part of this Schedule	48(6)
193	Fabrics, not otherwise specified containing more than 10 per cent silk or 10 per cent artificial silk or 10 per cent wool but containing more than 50 per cent and not more than 90 per cent cotton	48(7)
194	Fabrics, not otherwise specified, containing not more than 10 per cent silk or 10 per cent artificial silk or 10 per cent wool or 60 per cent cotton	48(8)
195	The following cotton fabrics, namely:—Sateens including Italians of Sateen weave, velvets and celveteens and embroidered allover	48(9)
196	Fabrics containing gold or silver thread	48(10)
197	Textile manufactures, the following articles when made wholly or mainly of any of the fabrics specified in Items No. 48(3)(b) of the first Schedule to the Indian Tariff Act, 1934:—Bedsheets, bedspreads, bolstercases, counterpanes, table clothes, tray clothes, bed covers, table covers, dusters, glass cloths, handkerchiefs, napkins, pillow cases, pillow slips, scarves, shirts, cotton, shawls socks, towels, umbrella coverings	49
198	Textile manufactures, being the articles specified in Serial No. 197 of this Part of this Schedule, but being made wholly or mainly of fabrics specified in Item No. 48(3)(c) of the First Schedule to the Indian Tariff Act, 1934	49

(1)	(2)	(3)
	Textile manufactures, being the articles specified in Serial No. of this Part of this Schedule, but being made wholly or mainly of any of the fabrics specified in Items Nos. 48, 48(1), 48(3)(a) 48(4), 48(5), 48(7), 48(9), or 48(10) of the First Schedule to the Indian Tariff Act, 1934	197 49
200	Fents, being <i>bona fide</i> remnants of piece goods or other fabrics of material liable to duty under item No. 48(4) of the First Schedule to the Indian Tariff Act 1934, not exceeding 4 yards, in length.	49(2)(a)
201	Fents, being <i>bona fide</i> remnants of piecegoods of the fabrics of materials liable to duty under Item Nos. 48, 48(1), 48(4), or 48(5) of the First Schedule to the Indian Tariff Act 1934, not exceeding 2-1/2 yards in length	49(1)(b)
202	Fents, being <i>bona fide</i> remnants of piecegoods or other fabrics of materials other than those specified in Serial Nos. 200 and 201 of this Part of this Schedule, not exceeding 2-1/2 yards in length	49(1)(c)
203	Ribbons	99(2)
204	Blankets and rugs (other than door rugs), excluding blankets and rugs made wholly or mainly from artificial silk	49(3)
205	Woollen carpets, floor rugs, ruffle cloth' shawls and lohias	49(4)
206	Manufactures of wool, not otherwise, specified, including felt but excluding those specified in Serial No. 205 of this Part of this Schedule	49(4)
207	Cotton braids or cords, the following namely:—ghoosis and muktakeis	49(5)
208	Jute manufactures, not otherwise specified	50
209	Second-hand or used gunny bags or cloth made of jute	50(1)
210	Hemp manufactures	50(2)
211	Oil cloth and floor cloth	50(3)
212	Mats and mattings, not otherwise specified	50(7)
213	Coir fibre, coir yarn and coir mats and mattings	
214	Socks and stockings made wholly or mainly from silk or artificial silk,	51
215	Woollen hosiery and woollen knitted apparel, that is to say, all hosiery and knitted apparel containing not less than 15 per cent of wool by weight	5(1)
216	Cotton knitted apparel, including apparel made of cotton, interlocking material, cotton undervests, knitted or woven and cotton socks and stockings	51(2)
217	Cotton knitted fabrics	51(3)
218	Lace and embroidery	52 and 52(4)
219	Deleted	52
220	Second-hand clothings.	52
221	Waterproofed clothing	52
222	Haberdashery, millinery and drapery	52
223	Apparel and hosiery, not otherwise specified	52
224	Uniforms and accoutrements pertaining thereto, imported by a public servant for his personal use	52(2)
225	Deleted	52(3)
226	Textile manufactures, not otherwise, specified excluding sisal yarn, delivery hose for trailer pumps, hose made of canvas impregnated with rubber, and cotton bandings	53 & 53(2)

(1)	(2)	(3)
227	Second hand boots and shoes, other than those containing rubber	54
228	Boots and shoes, not being second-hand, other than those containing rubber	54
229	Uppers for boots and shoes unless entirely made of leather.	54(2)
230	Hats, caps, bonnets and hatters' ware, not otherwise specified	55, 55(15), 55 ² (2) and 55(3)
231	Fittings for umbrellas, parasols and sunshades	56
232	Parasols and sunshades	56
233	Umbrellas	56(1)
234	Articles made of stone or marble	58
235	Deleted	
236	Tiles, other than glass, earthenware or porcelain tiles	59
237	Firebricks	59
238	Building and engineering materials, all sorts, not of iron, steel or wood, not otherwise specified, excluding tiles other than glass, earthenware or porcelain tiles and fire bricks not being component parts of any article included in Item No. 72 or No. 74(2) of the First Schedule to the Indian Tariff Act, 1934	59
239	Earthenware, all sorts, not otherwise specified	59(2)
240	China and porcelain, all sorts, not otherwise specified	59(2)
241	Earthenware pipes and sanitary ware	59(3)
242	Tiles of earthenware and porcelain	59(4)
243	Domestic earthenware china and porcelain, the following namely: tea cups, coffee cups, saucers, for use with tea cups or coffee cups tea pots, sugar-bowls, jugs having a capacity of over 10 ozs. and plates over 5-1/2 inches in diameter	59(5)
244	Sheets and plate glass	60(6) & 60(7)
245	Glass table ware excluding glass tumblers	60
246	Glass tumblers	60
247	Glass bottles and phials	60
248	Glass and glassware, not otherwise specified and lacquered-ware	60 & 60(8)
249	Glass globes and chimneys for lamps and lanterns	60(10)
250	Electric bulbs for torches	60(5)
251	Deleted	
252	Glass bangles, glass beads and false pearls	60(3) & 60(4)
253	Precious stones, unset and imported uncut, excluding diamonds in all forms	61
254	Pearls, unset	61
255	Precious stones, unset and imported cut.	
256	Deleted	
257	Imitation Gold and imitation silver thread and wire, lametta and metallic spangles and articles of like nature made of metals other than gold or silver	61(5)
258	Deleted	
259	Gold-plated pen nibs	61(7)
260	Articles, other than cutlery and surgical instruments, plated with gold or silver	61(8)
261	Cutlery plated with gold or silver	61(9)
262	Jewellery and Jewels other than those made mainly or wholly of gold or silver	61(10)

(1)	(2)	(3)
263	Empty drums and barrels returned by Steam-ship Companies to Oil companies in India	63(28)
264	Enamelled iron ware, the following, namely : signboards and the following articles of domestic hollow-ware, namely, basins, bowls, dishes, plates and thalas, including rice-cups, rice-bowls and rice-plates	63(29)
265	Chemicals or imitation gold known by and name such as "New Gold", "Star Gold", "Orient Gold", etc.	70 and 70(1)
266	Mercury	70(7)
267	Domestic hardware and stoves made of aluminium	71 and 71(9)
268	Domestic hardware and stoves not made of aluminium	48(3), 71 and 71(9)
269	Enamelled ironware, not otherwise specified	71
270	Garden tools	71 and 71(1)
221	Metal lamps and parts of lamps made of aluminium	71, 71(7) and 71(11)
272	Metal lamps and parts of lamps not made of aluminium	71, 71(7) and 71(11)
273	Incandescent mantles	71
274	Zip fasteners and metallic parts thereof	71 and 71(3)
275	Hardware, Iron mongery and tools, all sorts, not otherwise specified in this Schedule excluding machine tools and agricultural implements	61(11) and 71
276	Buckets of tin, or galvanised iron	71(1)
277	Safety razor blades	71(2) and 71(10)
278	Cutlery, all sorts, not otherwise specified, excluding safety razor blades	71(2) and 71(10)
279	Metal furniture and cabinetware	71(3)
280	Printing type	71(4)
281	The following printing materials namely :— leads, lines, rules, wooden and metal quoins, shooting sticks and galleys and metal furniture	71(5)
282	Deleted	
283	Sets of mats when imported as advertising materials in connection with exposed films	72(2)
284	Domestic refrigerators	72(5)
285	Typewriter ribbons	72(27)
286	Typewriter and parts thereof, excluding typewriter ribbons	72(26) and 72(27)
287	Domestic sewing machines, complete	72(6) and 72(11)
288	Parts of sewing machines, whether domestic or industrial excluding parts of sewing machines which are worked by power and require for their operation not less than 1/4 horse power	72(6) and 72(11)

(1)	(2)	(3)
289 Wireless Reception Instruments and Apparatus including Wireless Transmission apparatus	73(4) 73(13)	and
290 Component parts of Wireless Reception Instruments and Apparatus, including all electric valves, amplifiers and loud-speakers which are not specially designed for purposes other than wireless reception or are not original parts of and imported along with instruments or apparatus, so designed but excluding those mentioned in Part II of the Schedule	73(4), 73(10), 73(1) 73(12)	and
291 Motor vans and motor lorries imported complete	75	
292 Motor cars including taxi cabs	75(1)	
293 Articles (other than rubber tyres and tubes and iron steel bolts & nuts for motor cars) adapted for use as parts and accessories of motor cars, including taxi cabs but excluding those mentioned in Part II of the Schedule	75(9), 75(10), 75(11), 75(12) and (12A), 75(15), and 75(16).	
294 Motor cycles and motor scooters	75(2)	
295 Article (other than rubber tyres and tubes) adapted for use as parts and accessories of motor cycles and motor scooters, except such articles as are also adapted for use as parts and accessories of motor cars	75(2)	
296 Motor omnibuses; chassis of motor omnibuses, motor vans and motor lorries	75(3)	
297 Parts of mechanically propelled vehicles and accessories, not otherwise specified, excluding rubber tyres and tubes, and such parts and accessories of motor vehicles, included in Item No. 75(3) of the First Schedule to the Indian Tariff Act 1934, as are also adapted for use as parts and accessories of motor cars	75(13)	
298 Carriages and carts which are not mechanically propelled, not otherwise specified	75(4)	
299 Parts and accessories of carriages and carts which are not mechanically propelled, not otherwise specified; excluding rubber tyres and tubes and articles specified in Part I of this Schedule	75(4)	
300 Cycles (other than motor cycles) imported entire or in sections	75(5)	
301 Parts and accessories of cycles (other than motor cycles) excluding rubber tyres and tubes but including iron and steel bolts and nuts adapted for use on cycles and also steering tubes screwed	75(5), 75(6), 75(7) and 75(8)	75(7A)
302 X-ray films	77(5)	

(1)	(2)	(3)
303	Photographic negatives and printing paper, excluding X-ray films	77(5)
304	Film strips and slides	77(5)
305	Photographic instruments, apparatus and appliances, other than cinema, all sorts, not otherwise specified	77(5)
306	Instruments, apparatus and appliances imported by a passenger as part of his personal baggage and in actual use by him in the exercise of his profession or calling	77(1)
307	Artificial Teeth	77(3)
308	Clocks and watches and parts thereof	78 and 78(1)
309	Talking machines and parts thereof, and records for talking machines	79
310	Musical instruments and parts thereof, all sorts, not otherwise specified	79
311	Percussion caps	80
312	Save where otherwise specified, all articles which are arms or parts of arms within the meaning of the Indian Arms Act, 1878 (excluding springs used for air guns) all tools used for cleaning or putting together the same, all machines for making loading, closing or capping cartridges for arms other than rifled arms and all other sorts of ammunition and military stores and any articles which the Central Government may by Notification in the Official Gazette declare to be ammunition or military stores for the purpose of the Indian Tariff Act, 1934, excluding percussion caps	80
313	Subject to the exemptions, specified in Item No. 80(3) of the First Schedule to the Indian Tariff Act, 1934, Fire arms including guns and air guns, gas and air rifles gas and air pistols, not otherwise specified, but excluding parts and accessories thereof	80(1)
314	Subject to the exemptions specified in Item No. 80(3) of the First Schedule to the Indian Trade Act, 1934 :—	80(2)
	(a) Barrels, whether single or double for firearms, including gas and air guns, gas and air rifles, and gas and air pistols, not otherwise specified	
	(b) Mainsprings and magazine springs for firearms, including gas guns, gas rifles and gas pistols	
	(c) Gunstocks and breech blocks	
	(d) Revolver cylinders	
	(e) Actions (including skelton and waster), breach bolts and their heads, cocking pieces, and locks for muzzle loading arms	
	(f) Machines for making loading, or closing cartridges for rifled arms	
	(g) Machines for capping cartridges for rifled arms	

(1)	(2)	(3)
315 The following Arms, Ammunition and Military Stores:—		80(3)
(a) Arms forming part of the regular equipment of a commissioned or gazetted officer in Government Service entitled to wear diplomatic, military, naval, Air Force or police uniform		
(b) A revolver and an automatic pistol and ammunition for revolver and pistol up to a maximum of 100 rounds per revolver or pistol, (i) when accompanying a commissioned officer of the Indian forces, or of the Indian Auxiliary Force or the Indian Territorial Force or a gazetted police officer or (ii) certified by the Commandant of the Corps to which such officer belongs or in the case of an officer not attached to any corps, by the officer commanding the station or district in which such officer is serving or, in the case of a police officer by an Inspector General or Commissioner of Police, to be imported by the Officer for the purpose of his equipment		
(c) Swords for presentation as army or voluntary prizes		
(d) Arms, Ammunition and military stores imported with the sanction of the Central Government for the use of any portion of the military forces of a State in India being a unit notified in pursuance of the First Schedule to the Indian Extradition Act, 1903		
(e) Morris tubes and patent ammunition imported by Officers commanding Indian Regiments or volunteers corps for the instruction of their men		
316 Ornamental Arms of an obsolete pattern possessing only an antiquarian value; masonic and theatrical and fancy dress swords, provided they are virtually useless for offensive or defensive purposes; and dahs intended exclusively for domestic, agricultural and industrial purposes		80(4)
317 Cartridge cases filled and empty		81
318 Coral prepared		82
319 Ivory, manufactured, not otherwise specified		82(1)
320 Bangles and beads, not otherwise specified		82(2)
321 Paint and varnish brushes		83
322 Toilet brushes		83
323 Brooms		83
324 Brushes, all sorts, excluding paint and varnish brushes, toilet brushes and brooms		83
325 Toys, games, playing cards and requisites for games, and sports, bird shot, toy cannons, air guns and air pistol for the time being excluded in any part of India from the operation of all the prohibitions and directions contained in the Indian Arms Act, 1878, and bows and arrows; excluding rubber balls, footballs bladders balloons, and toys		84 and 84(1)
326 Buttons, metal		85

1	2	3
327	Smoker's requisites made of aluminium	85(1)
328	Smoker's requisites—pipes	85(1)
329	Smoker's requisites excluding those made of aluminium, tobacco matches, and pipes	85(1)
330	Prints, Engravings and Pictures (including photographs and picture post cards), not otherwise specified	86
331	Art, works of, not otherwise specified	86(1)
332	Specimens, Models, and Wall Diagrams illustrative of natural science, and medals and antique coins, imported for instructional purposes	86(3)
333	Specimens, Models and Wall Diagrams illustrative of natural science, and medals and antique coins not imported for instructional purposes	86(3)
334	Postage Stamps, whether used or unused	86(4)
335	Brake fluid	87
336	Buttons, other than metal	85
337	Empty gelatine capsules	87
338	Leather, artificial, manufactures of	87
339	Synthetic stones	87
340	Zip fasteners with celluloid teeth	87

PART V

1	Pulse	10
2	Wheat	10(1)
3	Wheat flour	11(1)
4	Starch and farina	11 (4) and 11(5)
5	Chromosol S. F. Chromaline and other Chrome compounds used for dyeing or tanning (excluding barium, lead and zinc chromates)	13
6	Dyeing and tanning substances, all sorts, not otherwise specified, excluding wattle extract and the articles, specified in Serial No. 5 of this part of this Schedule	13 and 13(8)
7	Gums, Resins and Lac, all sorts, not otherwise specified, excluding olibanum and frankincense	13(3)
8	Greases, all sorts, not otherwise specified, including petroleum jellies and paraffin wax	15 and 15(9)
9	Cod liver oil	15 (4) and 28(22)
10	Fish oil including whale oil, not otherwise specified, excluding cod liver oil	15(4)

1	2	3
11	Fish oil and whale oil, hardened and hydrogenated	15(5)
12	Farinaceous and patent foods, canned or bottled, excluding milk foods for infants	19(2) and 19(3)
13	Essences containing spirit used for the manufacture of beverages	22(4)
14	Metallic ores, all sorts, except ochres and other pigments ores	26 and 26(1)
15	Asphalt	27(1)
16	Pitch and tar	27(2) and 27(9)
17	All sorts of mineral oils, not otherwise specified	27(9)
18	Kerosene ; also any mineral oil other than kerosene and motor spirit which has its flashing point below one hundred degrees Fahrenheit's thermometer by Abel's close test	27(4)
19	Motor spirit	27(6)
20	Lubricating oil, that is, oil as is not ordinary used for any purpose other than lubrication, excluding any mineral oil which has its flashing point below two hundred degrees of Fahrenheit's thermometer by Abel's close test	27(8)
21	Chromium sulphate, chromium chloride and other chrome compounds excluding barium chromates and chromium acetate	28 and 28(17)
22	Chemicals not otherwise specified	28, 28(15) and 28(18) and 28(34)
22-A	Gas cylinders when imported filled with gas	28, 28(8) and 72(c)
23	Bleaching paste and bleaching powder	28(1)
24	Copperas, green (ferrous sulphate)	28(8)
25	Sulphur	28(3)
26	Soda ash, including calcined natural soda and manufactured sesquicarbonates	28(4)
27	Heavy chemicals the following, namely, Magnesium chloride	28(5)
28	The following chemicals, namely :—	28(6)
	(a) Alum (ammonia alum, potash alum and soda alum)	
	(b) Magnesium sulphate or hydrated magnesium sulphate	
29	The following chemicals, namely cadmium sulphide, cobalt oxide, liquid gold for glass making, selenium and uranium oxide	28 and 28(7) and 28(7-A)
30	Potassium bichromate, sodium bichromate and chromic acid	28(8) and 28(17)
31	The following Chemicals, Drugs and Medicines, namely, acetic, carbolic, citric, hydrochloric, nitric, oxalic, sulphuric, tartaric and any other acids excluding chromic acid, anhydrous ammonia, naphthalene, potassium chlorate, potassium cyanide and other potassium compounds, bicarbonate of soda, borax, sodium cyanide, sodium silicate, arsenic, calcium carbide, glycerine, lead, magnesium, and zinc compounds, not otherwise specified aloes, asafoetida, cocaine, sarsaparilla and storax	28(8), 28(16), 28(19), 28(20) and 28(29) and 28(33)

1	2	3
32	Anti-plague serum	28(13)
33	Aluminium powder and paint	30
33	Aluminium powder and paint	30
34	Paints, colours and painter's materials, all sorts, not otherwise specified, including paints, solutions and compositions containing dangerous petroleum within the meaning of the Indian Petroleum Act, 1934, but excluding aluminium powder and paint, and sand papers and glass papers	30, 30 (11), 30 (12) and 30 (14)
35	Paints, colours and painter's materials, the following :—	30(2)
	(a) Red lead, genuine, dry, genuine moist and reduced moist.	
	(b) White lead, genuine dry.	
	(c) Zinc white, genuine dry.	
	(d) Paints, other sorts, coloured moist.	
36	Paints, colours and painter's materials, the following namely :—	30(3)
	(a) Red lead, reduced dry.	
	(b) White lead, genuine moist, and reduced dry or moist	
	(c) Zinc white, genuine moist.	
	(d) Zinc white, reduced, dry or moist.	
37	The following paints, colours and painter's materials namely, barytes, turpentine, turpentine substitute, and varnish not containing dangerous petroleum within the meaning of the Indian Petroleum Act, 1934	30(4)
38	Gunpower for cannons, rifles, guns, pistols and sporting purposes	34
39	Explosives, namely, blasting gunpowder, blasting gelatine, blasting dynamite, blasting roburite, blasting tonite and all other sorts, including detonators and blasting fuze	34(1)
40	Manures, all sorts, including animal bones and the following chemical manures :—	35 and] 35(1)
	Basic slag, nitrate of ammonia, nitrate of soda, muriate of potash, sulphate of ammonia, sulphate of potash, kainite salts, carbolime, urea, nitrate of lime, calcium cyanide, ammonium phosphates, mineral phosphates and mineral super phosphates.	
41	Rubber tyres and tubes and other manufactures of rubber, not otherwise specified, including ebonite rods, tubes and sheets but excluding apparel and boots and shoes	39(1), 39(2), 39(3) 77 and 77(2)
42	Wood and Timber, all sorts, not otherwise specified, including all sorts or ornamental wood	40, 40(4), 87 and 40(6)
42-A	Tea chest and parts and fittings thereof including tea chests containing aluminium but excluding aluminium tea chest linings	40(3) and 40(5)
43	Wood Pulp	43
43-A	Pulp (other than wood pulp) from vegetable fibres such as Bamboo, Grasses, reeds and agricultural residues including pulp of rags and mixture of such pulps	43(1)

1	2	3
44	White Printing paper, (excluding laid marked paper) which contains mechanical wood pulp amounting to not less than 70 per cent. of the fibre content	44
45	Cigarette paper	44 and 44(1)
45-A	Pasteboard, mill board, card board and straw board, all sorts	44(4)
46	Rubber bands, erasers and stamps and rubber hand rollers for cyclostyling	39(1) and 45(b)
47	Wool, raw, and wool tops including wool waste, shoddy wool and woollen rags	46(2) and 49(4)
48	Woollen yarn, not otherwise specified	47(3)
49	Woollen yarn for weaving and knitting wool, excluding hand knitting wool	47(4)
50	Hair and woollen yarn exclusively used for the manufacture of hair belting	47(8)
51	Cordage, rope and twine of vegetable fibre other than jute and cotton, not otherwise specified	50(6)
52	Apparel containing rubber	52
53	Silk or artificial silk goods used or required for medical purposes, namely :—silk or artificial silk ligatures, elastic silk or artificial silk hosiery, elbow pieces, thigh pieces, knee caps, leggings, socks, anklets, stockings, suspensory bandages, silk or artificial silk abdominal belts, silk or artificial silk web catheter tubes and oiled silk or artificial silk	52(1)
54	Delivery hose for trailer pumps	53
55	Hose made of canvas impregnated with rubber	53
56	Rags and other paper-making material, excluding pulp thereof and pulps and word and other vegetable fibres and the mixture of such pulps.	53(1)
57	Boots and shoes containing rubber	54
58	Building and Engineering bricks	59(1)
59	Covered crucibles for glass-making	59(6)
60	Bort and industrial diamonds	61
61	Diamonds unset and imported uncut, excluding bort and industrial diamonds	61
62	Steel helmets	63(8)
62-A	Radium	70(7)
63	The following articles of builder's hardware ; hinges, locks and bolts	70(10) and 70(11)
64	Deleted.	
65	The following articles of machinery, not otherwise specified in this schedule except when required for the textile industries, tea industry, iron and steel product electric supply undertakings and mines and quarries:—	
	(1) Prime-movers boiler, locomotive engines and tenders for the same, portable engines (including fire engines and other machines in which the prime-mover is not separable from the operative parts);	72(a)

(1)	(2)	(3)
	(2) Machines and sets of machines to be worked by electric, steam, water, fire or other power, not being manual or animal labour or which before being brought into use required to be fixed with reference to other moving parts ;	72(b), 72(15), 72(16), 72(17), 72(18), 72(19), 72(20), 72(21), 72(22), and 72(23)
	(3) Apparatus and appliances, not to be operated by manual or animal labour which are designed for use in an industrial system as parts indispensable for its operation and have been given for that purpose some special shape or quality which would not but be essential for their use for any other purpose	72(c)
	(4) Control gear (other than electric, self-acting or otherwise and transmission gear (other than electric) designed for use with any of the machinery above specified, including driving chains, but excluding driving ropes not made of cotton and belting;	72(d)
	(5) Component parts, as defined in Item No. (3), of the First Schedule to the Indian Tariff Act, 1934, of machinery specified in clauses (1), (2) (3) and (4) above, but excluding those which are covered by Serial No. 68 of this part of this Schedule	72(3) and 72(15)
	(6) Machines or parts of machines to be worked by manual or animal labour, not otherwise specified, and any machines (except such as are designed to be used exclusively in industrial processes), which require for their operation less than one quarter of one-horse power excluding type-writers and sewing machines and parts thereof	72(6) and 72(28)
66	Automatic Black-out Control Switches	72(d) and 73(1)
67	(1) Printing and Lithographic material namely, presses, lithographic plates, composing sticks, chases, imposing tables, lithographic stones, stereo-blocks, wood blocks, half-tone blocks, electro-type blocks, process blocks, roller moulds, roller frames and stocks, roller composition, lithographic rap rollers, standing screw and hot presses, perforating machines, gold blocking presses, gallery presses, proof presses, arming presses, copper plate printing presses, rolling presses, ruling machines, ruling pen making machines, lead cutters, rule cutters, slug cutters, type casting machines, type setting and casting machines, paper in rolls with side perforations to be used after further perforation for type-casting rule bending machines, rule mitring machines, bronzing machines, stereotyping apparatus, paper folding machines, paging machines, but excluding ink and paper and sets of mats when imported as advertising material in connection with exposed films	72(2)
	(2) Component parts as defined in Import Tariff Item No. 72(3) of machinery specified in clause (1) above, excluding those covered by Serial No. 68 of Part V of this Schedule	72(3)
68	Rubber Blankets (including mackintosh) for printing presses (including cloth printing machines)	72(3)
69-A	Hosiery needles for hosiery machinery and knitting machines whether operated by manual labour or mechanical power	72(3)

(1)	(2)	(3)
70 All types of lifts and elevators (including passenger and goods) and component parts and accessories thereof		72(4)
71 Stirrup pumps and Trailer pumps		72(6)
72 Deleted		
73 Water-lifts, sugar mills, sugar centrifuges, sugarcane-mills, oil presses and parts thereof when constructed so that they can be worked by manual or animal power and pans for boiling sugar-cane juice		72(7)
74 The following Agricultural implements, namely, winnower, threshers, mowing and reaping machines, binding machines, elevators, seed and corn-crushers, chaff-cutters, root-cutters, ensilage-cutters, horse and bullock gear, ploughs, cultivators, scarifiers, harrows, cold-crushers, seed drills, hay-teeders, hay presses, potato-diggers, latex spouts, spraying machines, power-blowers, white-ant exterminating machines, beet-pullers, broadcast seeders, corn-pickers, corn shellers, cultipackers, drag scrapers, stalk cutters, huskers and shredders, potato planters, lime sowers, manure spreaders, listers, soil graders, and rake also agricultural tractors, also component parts of these implements, machines or tractors, provided that they can be readily fitted into their proper places in the implements, machines, or tractors for which they are imported, and that they cannot ordinarily be used for purposes unconnected with agriculture		72(8), 72(29), 72(30) and 72(31)
75 The following Dairy and Poultry Farming appliances, namely, cream separators, milking machines, milk sterilizing or pasteurising plant, milk aerating and cooling apparatus, churns, butter dryers, butter workers, milk bottle fillers and cappers apparatus specially designed for testing milk and other dairy products and incubators; also complete parts of these appliances provided that they can be readily fitted into their proper places if the appliances for which they are imported and that they cannot ordinarily be used for other than dairy and poultry farming purposes		72(9) and 72(32)
76 Industrial Sewing Machines (all types)		72(1), 72(11)
(a) Industrial sewing machines which are manually operated or worked by power and require for their operation less than one quarter horse power		72(15)
(b) Industrial sewing machines and parts thereof which are worked by power and require for their operation not less than one quarter horse power		72(b), 72(1) and 72(15)
77 Air Raid Sirens		73 and 77
78 Electrical Instruments, apparatus and appliances, not otherwise specified in this Schedule excluding telegraphic and telephonic		73
79 Electro-medical apparatus		73(9)
80 Deleted		
81 Deleted		
82 Tramcars and component parts and accessories thereof, excluding articles specified in Part I of this Schedule		74(1)]

(1)	(2)	(3)
83 Deleted		
84 Deleted		
85 Deleted		
86 Conveyances, not otherwise specified, and component parts and accessories thereof excluding articles specified in Part I of this Schedule		75
87 Aeroplanes, aeroplane parts, aeroplane engines, aeroplane engine parts and rubber tyres and tubes used exclusively for aeroplanes		76
88 All manufactured articles and materials used in aircraft construction, and books, drawings, diagrams, illustrations and say other technical publications imported for the purpose of maintenance, repair and overhaul of aircraft, aero-engines and their instruments and equipment		The appropriate Item
Provided that nothing falling under this description shall be deemed to fall under any other Serial of this Schedule.		
89 Ships and other vessels for inland and harbour navigations including steamers, launches, boats and barges imported entire or in sections		76(1)
Provided that articles of machinery as defined in Item No. 72 or Item No. 72 (j) of the First Schedule to the Indian Tariff Act, 1934, shall, when separately imported, not be deemed to be included hereunder.		
90 Light ships		76(2)
91 Furniture tackle and apparel, not otherwise described for steam sailing, rowing and other vessels		76(3)
92 Instruments apparatus and appliances, including cinematographic other than electrical, but excluding articles otherwise specified in this Schedule		77
93 Optical, Scientific, Philosophical and Surgical Instruments, apparatus and appliances not made of rubber		77(2), 77(4), 77(6) and 77(7)
94 Optical, Scientific, Philosophical and Surgical Instruments, apparatus and appliances made of rubber		77(2), 77(4), 77(6) and 77(7)
95 Rubber balls, football bladders, balloons and toys		84
96 Art, the following works of—(1) Stationery and pictures intended to be put for the public benefit in a public place, and (2) memorial of a public character intended to be put up in a public place including the materials used or to be used in their construction whether worked or not		86(2)
97 Artificial horn manufactured from rennet casein		87
98 Asbestos, raw		87
99 Bort		87
100 Celluloid		87
101 Cellulose acetate sheet and moulding powders		87
101-A Cellulose Acetate Butyrate and Cellulose Propionate		87
101-B Cellulose film		87
101-C Cellulose film scrap		87
101-D Cellulose Nitrate sheets		87
101-E Chloride moulding powder		87
102 Cresol-formaldehyde moulding powders		87

(1)	(2)	(3)
103	Curled rope hair	87
104	Diamonds industrial natural and synthetic, all forms, including diamond grit and powder	61, 72(3) and 87.
105	Fibreboards, hardboards, insulating boards, excluding plywood and vulcanised fibre sheets	61, 72 (3) and 87 40(4) and 40(7)
106	Glass black, thermatonic black, acetylene black, and carbon black	87
107	Glass substitutes	87
108	Glucose powder, Dextrose (excluding glucose powder, Dextrose packed in small containers of 1 lb. or less) and Glucose aff sorts	21(3)
109	Mica sheets	87
110	Nickel catalyst	87
111	Phenol-formaldehyde moulding powders	82(3)
112	Phenol-formaldehyde resinous sheets, tubes, rods and other materials	87
113	Polyethyl methacrylate sheets, rods and tubes	87
113-A	P.V.C. Sheets, <i>ie.</i> Polyvinyl Chloride plastic sheets, unsupported	82(4)
113-B	Polydichlorostyrene	87
113-C	Polystyrene	87
113-D	Polyvinyl Acetate	87
113-E	Polyvinyl Butyral	87
113-F	Polyvinylidene Chloride	87
113-G	Polyvinyl Formal	87
113-H	Polyvinyl Moulding Powders	87
113-I	P.V.C. Compositions	87
114	Pyrotechnic aluminium powder	87
115	Stereo slings	87
116	Synthetic resins all sorts, not otherwise specified	87
117	Textile printing dyes	87
118	Urea-formaldehyde moulding powders	87
119	Vulcanised fibre in sheets, rods and tubes	87
120	Deleted	87
121	Window glass channels	87
122	All articles, not otherwise specified in this Schedule, except the following namely:—	The appropriate item.

(a) Deleted.

(b) Paper money 44(6)

(c) Silver bullion and silver sheets and plates which have undergone no process of manufacture subsequent to rolling 61(2)

(d) Gold bullion and gold sheets and plates which have undergone no process of manufacture subsequent to rolling 61(3)

(e) Current coin of the Government of India 62

(f) Silver coin, not otherwise specified 62(1)

(g) Gold coin 62(2)

(1)	(2)	(3)
	PART VI	
	All machine tools of the following types including any standard equipment or ancillary machinery usually supplied therewith:—	
1	Milling, diesinking, engraving, keyseating, broaching, oilgrooving, splining, profile slotting and marking.	The appropriate item.
2	Metal cutting cold saws, hacksaw machines filing and sawing bandsaw machines, cutting off (tool and abrasive).	
3	Testing machine for mechanical workshop and engineering laboratory use.	The appropriate item.
4	Grinding (excluding small electrical bench and portable grinders up to 10" wheels and pneumatic grinders), honing, polishing and lapping.	
5	Drilling (other than portable electric or portable pneumatic).	
6	Capstan and turret lathes.	
7	Lathes, general.	
8	Furnaces, electrical, coke, coal, gas or oil fired excluding cover., muffle rings and stand for tilting furnaces.	
9	Forging, power hammers drop stamps and riveting other than portable handriveters.	
10	Wire drawing and forming, rolling mills (other than jewellers), bar reeling and bar turning.	
11	Thread forming, cutting, rolling or milling.	
12	Moulding machines and other machinery for foundry use, die-casting machines and magnetic separators.	
13	Hydraulic presses, and other machinery for the production of plastic blocks and plastic mouldings such as bakelite and other cellulose products).	
14	Sheet Metal working machinery (other than hand power types) including shears, punches, presses, benders, brakes, guillotines, plates straighteners and rollers.	
15	Automatic bar and chucking machines, single and multiple spindle.	
16	Gear cutting	
17	Shaping, slotting and planing.	
18	Vertical boring, and turning mills, horizontal boring, and jig boring.	
19	Special and standard machines, particularly used in railway workshops, but not otherwise specified.	
20	Oxygen cutting, oxy-acetylene generating plant for welding and cutting and electric welding.	
21	Wood-working machinery, other than hand worked or small home-craft types.	
22	Lathe chucks, magnetic chucks (electric and non-electric), drill chucks rotary tables, dividing heads, tool post grinders, milling and indexing attachment and machine vices	

SCHEDULE II

(See clause 3)

OFFICERS COMPETENT TO GRANT IMPORT LICENCES.

1	The Chief Controllers of Imports and Exports	For any goods covered by part I to VI of Schedule I.
2	A Joint Chief Controller of Imports and Exports	
3	A Deputy Chief Controller of Imports and Exports	
4	A Controller of Imports and Exports	
5	An Assistant Controller/ Section Officer in the Imports and Exports Trade Control Organisations	For Iron and Steel and Ferro-Alloys licensable by the Iron and Steel Controller in accordance with the policy announced by him from time to time
6	The Iron and Steel Controller	
7	A Deputy Iron and Steel Controller	
8	An Assistant Iron and Steel Controller	
8-A	Deputy Assistant Iron and Steel Controller.	For machine tools falling under Part VI of Schedule I.
8-B	Research Officer in the Office of the Iron and Steel Controller	
8-C	Assistant Accounts Officer in the Office of the Iron and Steel Controller	
9	Development Officer (Tools)	
10	Deputy Development Officer (Tools licensing)	For machine tools falling under Part VI of Schedule I.
11	Assistant Development Officer (Tools)	
12	Any Officer authorised by the Central Government for any goods described in Schedule I.	

SCHEDULE III**APPLICATION FEES**

The following fees shall be leviable in respect of the application for an import licence.

Serial No.	Particulars	*Amount of Fees
1	2	3
		Rs.
1	Where the value of the goods specified in the application does not exceed Rs. 10,000/-	15
	Provided that no fees shall be leviable on any such application if the value of the goods specified in the application does not exceed Rs. 250/- and if the import of the goods is required for the personal consumption of the applicant for purposes not connected with trade or manufacture.	
2	Where the value of the goods specified in the application does not exceed Rs. 20,000/-	25
3	Where the value of the goods specified in the application does not exceed Rs. 40,000/-	35
4	Where the value of the goods specified in the application does not exceed Rs. 60,000/-	50

1	2	3
		Rs.
5	Where the value of the goods specified in the application does not exceed Rs. 80,000/-	
6	Where the value of the goods specified in the application does not exceed Rs. 1,00,000/-	90
7	Where the value of the goods specified in the application does not exceed Rs. 2,00,000	150
8	Where the value of the goods specified in the application exceeds Rs. 2,00,000/- Rs. 150 plus Rs. 25/- for every Rs. 50,000/- or part thereof in excess of Rs. 2,00,000/- subject to a maximum of Rs. 2,500/-	
<p data-bbox="287 569 968 651">Provided that in respect of bulk applications from Actual Users for import of raw materials and accessories falling under different serial/sub-serial numbers of Schedule I, the following fees shall be leviable :—</p> <p data-bbox="330 675 968 766">Where the value of the goods specified in the application exceeds Rs. 2,00,000/- Rs. 150/- plus Rs. 30/- for every Rs. 50,000/- or part thereof in excess of Rs. 2,00,000/- subject to a maximum of Rs. 2,500/-</p>		
9	Appeal to the C.C.I. against any order or an application for review by a licensing authority	5
10	Applications for grants of subsidiary licences	5
11	In respect of applications for import licences under the Export Promotion Scheme	Fifty per-cent of the amount of fees mentioned against item I to 8,

*NOTE:— In respect of applications for annual licences, the fees leviable shall be twice the amount calculated on the basis of half the value of the goods specified in the application in accordance with the scale of fees indicated in the Table.

2. For the purpose of collection of fees the following instructions are given for general information :—

- (i) The prescribed fee shall be deposited in cash at any Government Treasury or office of the State Bank of India or the Reserve Bank of India transacting the business of the Central Government for credit to the Central Government under a separate head "Import licence application Fees" subordinate to the major head XXXII Miscellaneous Social and Developmental organisations. The treasury or bank receipt must show particulars of the application for the grant of import licence, namely description of goods for which the licence is applied for, with their value, and must be attached to the application before submitting the same to the proper authority and the application also must contain details of the treasury receipts under which the requisite fee has been deposited.

- (ii) No application will be entertained which is not accompanied by such proof of payment of the fee prescribed under this order

NOTE.—Applications for refund of Import licence application fees will be dealt with in Port Offices, within whose jurisdiction the fee was paid. The territorial jurisdiction of the various offices in the Import organization has been set out in Section I of the current Red Book. Claims admitted for refund will be prepared in Form T.R. 41 with necessary authorisation by the respective Port Officers and sent to the firm concerned to be presented after being duly signed, at the Bank/Treasury where the fee had been originally paid in.

(The jurisdiction of various licensing authorities is now given in the Hand Book of Rules and Procedure 1964, on Import Trade Control.)

SCHEDULE IV

(See Clause 12)

1. Notification No. 23-ITC/43, dated the 1st July 1943, issued by the late Department of Commerce, as amended.
2. Notification No. 2-ITC/48, dated 6th March 1948, issued by the late Ministry of Commerce.
3. Notification No. 4-ITC/48, dated 1st May 1948, issued by the late Ministry of Commerce.
4. Notification No. 51-ITC/50, dated 15th November, 1950 issued by the late Ministry of Commerce.
5. Order No. 4/55, dated 30th June, 1955 issued by the Ministry of Commerce and Industry.

GOVERNMENT OF INDIA

MINISTRY OF COMMERCE AND INDUSTRY

IMPORT TRADE CONTROL

ORDER No. 11/60

New Delhi, the 1st August, 1960.

In exercise of the powers conferred by Section 6 of the Imports and Exports (Control) Act, 1947 (18 of 1947) as in force in India and as applied to the State of Pondicherry, the Central Government hereby authorises the Joint Chief Controllers of Imports and Exports, the Deputy Chief Controllers of Imports and Exports, the Customs Collectors and the Officers of Customs under the Sea Customs Act, 1878, to make complaints in writing in Courts in respect of any offence punishable under Section 5 of the said Act.

Sd./- K. R. F. KHILNANI,
Joint Secretary to the Government of India

APPENDIX 3

(vide para. 12 of Chapter II)

SUBJECT:—*Registration Scheme—Principles governing allotment of I.V.C. numbers.*

The following decisions taken by the Government of India in connection with the production of Income-tax Verification Certificates and the allotment of Registration Numbers and the procedure to be adopted for applying for exemption from the production of such certificates are hereby published for general information.

2. The allotment of both Income-tax Verification Registration Numbers and Exemption Numbers will only be done by the following authorities, whose jurisdiction is shown in Annexure III:—

1. Joint Chief Controller of Imports and Exports, 4, Esplanade East, Calcutta.
2. Joint Chief Controller of Imports and Exports, Nav Bhuvan, Ballard Estate, Nicol Road, Bombay.
3. Joint Chief Controller of Imports and Exports, 19/20, Linghi Chetty Street, Madras.
4. Joint Chief Controller of Imports and Exports, Central Licensing Area, Janpath Barracks B, New Delhi.
5. Joint Chief Controller of Imports and Exports, Panjim, (GOA).
6. Deputy Chief Controller of Imports and Exports, Ernakulam.
7. Export Trade Controller, Amritsar.
8. Import/Export Trade Controller, Rajkot.
9. Controller of Imports and Exports, Visakhapatnam.
10. Controller of Imports and Exports, Bangalore.
11. Controller of Imports and Exports, Pondicherry.
12. Assistant Controller of Imports and Exports, Shillong.
13. Assistant Controller of Imports and Exports, New Kandla.

3. The prospective applicants for import/export licences except those mentioned in paragraphs 6, 13 and 14 below should make an application in the form prescribed in Annexure I to this Appendix and present it in duplicate to the proper Income-tax authority (specified in paragraph 4 below) who will then verify the particulars from their records, subscribe the necessary verification certificates on one copy and return it to the applicant so as to enable him to forward the same to one of the officers referred to in the preceding paragraph. *The applicant should note that each page of*

APPENDIX 3—*contd.*

the I.V.C. should bear the seal and signature of the I.T.O. concerned. It is not necessary to obtain a separate number from each licensing authority as for instance, a Registration Number allotted by the Joint Chief Controller of Imports and Exports, Calcutta will be held valid by the Joint Chief Controller of Imports and Exports, Bombay and *vice versa* and so on. Applicants should quote the I.V.C. Registration number, if any, allotted to them by the Import Trade Control Authorities during the last two annual licensing periods.

4. The proper income-tax authorities for the purpose will be the Income-tax Officer of the Circle, Ward or District where the applicant is assessed or is assessable to income-tax. The certificates may also be issued in Bombay and Calcutta by the Headquarters Assistant Commissioners of Income-tax and in Madras and Delhi by the Inspecting Assistant Commissioner of Income-tax.

5. The Registration Number allotted against a complete Income-tax Verification Certificate will be valid for the financial year in which the certificate is issued and for the subsequent financial year. For instance, on an Income-tax Officer's certificate issued during the period from April 1962 to March 1963, a Registration Number allotted would be valid for the financial years April 1962—March 1963 and April 1963—March 1964. For this purpose a distinct symbol is given on the Registration Numbers which shows the month as well as the year when its validity expires. It would be in the interest of applicants if Income-tax Verification Numbers are duly obtained by them well in advance of the expiry of the old Number. However, in cases of genuine difficulty, the licensing authority may grant a licence even after the expiry of the validity of the I.V.C. No. subject to the condition that the applicant shall produce the valid I.V.C. No. before the end of the licensing period. This concession will be available only for one licensing period.

6. Such Government or Semi-Government Institutions as are not liable to income-tax need not apply for either the Registration or Exemption Number and may submit applications for licences without quoting either number.

7. The following classes of applicants are required to obtain exemption numbers and should apply in the prescribed form (Annexure I) to the proper authority as prescribed in Annexure III:—

- (i) Applicants who had no taxable income during any of the previous years; and
- (ii) Those who are not liable to tax under sections 10 to 13 of the Income-tax Act, 1961.
- (iii) Co-operative Societies which are not liable to tax under section 81 of the Income-tax Act, 1961.

APPENDIX 3—*contd.*

8. (a) (1) Applicants whose cases are governed by paragraph 7 above, will be required to declare on a stamped affidavit in the form given in Annexure II, before a Magistrate or an Oath Commissioner, Notary Public or an Assistant Registrar of High Court the fact that they had no income in the past five years liable to tax giving the reasons therefor, or that they are exempt from payment of tax under Sections 10 to 13 of the Income-tax Act, 1961 or they are Co-operative Societies which are not liable to tax under Section 81 of the Income-tax Act, 1961 as the case may be, and present such affidavits along with the application (Annexure I) in duplicate and such other documents as have been prescribed to the Income-tax Officer concerned. The Income-tax Officer will after satisfying himself of the correctness of the facts stated in the affidavit endorse the appropriate certificates on the application and return the original application except the duplicate. All other documents, the affidavits and the duplicate copies of the enclosures mentioned in item 9 of Annexure I, will be retained by the Income-tax Officer. The deponent will thereupon present the application along with the other prescribed accompaniments to the allotting authority concerned.

(2) Where, however, an applicant who is (would have been) liable to tax in the status of an individual or Hindu Undivided Family, has been submitting regularly during the past 5 years, his returns of total income to the Income-tax Officer concerned, but no tax was levied as the income was below taxable limit, he need not file any affidavit.

8. (b) Where in cases falling under paragraph 7 the applicant is a "Private Limited Company", "Public Limited Company", "Partnership Concern", "Proprietary Concern" the applications for exemption numbers should be accompanied by the following documents:—

- (i) *Private Limited Companies*.—I.V.C./affidavit only from Directors/Share-holders who hold more than 10 per cent. of the shares of company or the value of whose holding is Rs. 10,000 or above.
- (ii) *Public Limited Companies*.—Incorporation Certificate and Certificate to prove that this is a Public Limited Company.
- (iii) *Partnership Concerns*.—Income-tax Verification Certificates or Affidavits of all partners about their income from all sources for the last five years.
- (iv) *Proprietary Concerns*.—Income-tax Verification Certificates or Affidavits of the proprietor about his income from all sources for the past five years. [No affidavits need be filed in respect of cases covered by paragraph 8(a) (2)].

9. In the case of applicants falling under paragraph 7, the authorities mentioned in paragraph 2 above, will, on production of the application (Annexure I) duly completed, allot an Exemption Number.

APPENDIX 3—*contd.*

10. In the case of displaced persons who have been forced to migrate to India from Pakistan and have not completed one calendar year of their residence in India, it would not be necessary to produce the usual affidavit on a stamped paper to the Income-tax Officers. Such persons will instead produce the Refugee Registration Card or the Camp Commandant Certificate before the Income-tax Officer concerned along with the application (in duplicate) in the prescribed form (Annexure I). The Income-tax Officer will dispense with the production of Affidavit and after entering such application in his register, will endorse on the original a certificate in the usual form incorporating these facts. The original will be returned to the applicant and the duplicate retained by the Income-tax Officer. On presentation of such a completed document, the authority concerned would allot an Exemption Number.

11. The period of validity of Exemption Numbers will be calculated on the same basis as is laid down in respect of Income-tax Registration Numbers, *vide* paragraph 5 above.

12. All applicants for import and export licences should get the Registration Numbers (which include Exemption Number also) and quote them in the relevant column of their applications for import and export licences except as hereinafter provided.

13. In the case of applications for export permits, the necessity of quoting an Exemption or a Registration Number is dispensed with in the following cases:—

- (i) Personal belongings.
- (ii) Post Parcel Gifts.
- (iii) Applications from Charitable Institutions.
- (iv) Shipments or exhibits to trade fairs and exhibitions in which Indian producers may be participating.
- (v) Non-commercial exports of small values like exposed educational films etc.

14. In the case of applications for import licences, the production of Exemption or Registration Numbers has been dispensed with in the following cases:—

- (i) Import of personal belongings of small value.
- (ii) Unsolicited gifts of small values where no exchange remittances are involved.
- (iii) Goods required for actual use in educational or charitable institutions which are exempted from payment of Income-tax.

15. *Foreign Nationals.*—(a) Applicants who are nationals of Tibet, Nepal or any other adjoining foreign territory are not required to quote any Registration/Exemption Number provided they do not conduct their business in India and the goods imported will be in transit only to the territory where the applicants reside.

APPENDIX 3—*contd.*

(b) Applicants from foreign territories who are conducting their business in India and also those Indians who are conducting business in Nepal, Tibet or in any other adjoining foreign territory besides business in India will be required to produce Income-tax Verification Certificate etc. like other applicants.

(c) Other applicants who claim that they have no office or branch in India should furnish an affidavit to the effect that their firm is constituted of non-Indian Nationals only.

16. From 1st April, 1962, Income-tax Act 1961 shall come into force. Therefore references to Indian Income-tax Act 1922 and its Sections wherever made in this Appendix may be taken also to refer to the Income-tax Act 1961 and its corresponding Sections.

ANNEXURE I

FORM OF CERTIFICATE OF INCOME-TAX ASSESSMENT TO BE PRODUCED BY
AN APPLICANT FOR IMPORT AND EXPORT LICENCE

1. (a) Trade name and address of the assessee (in case of Registration Numbers) the applicant (in case of Exemption Numbers).

(b) Names of branches if any of 1(a) with their addresses.

2. Name and address of the person making this application and the interest he has in 1 above.

3. Year in which the business was established.

4. Whether the applicant is assessed to Income-tax as:—

(i) Individual.

(ii) *Hindu Undivided Family*.

(iii) Company.

(iv) Firm, or

(v) Association of persons.

5. The Income-tax Circle/Ward/District in which the applicant is assessed to Income-tax.

6. 'Line or Lines' in which the applicant is doing business (by Major Heads).

7. Reference No. (or G.I.R.) of the assessment.

8. (a) Where maximum Income-tax paid during any one of the past five years was:—

(a) Upto Rs. 100.

(b) From Rs. 101 to Rs. 249.

(c) From Rs. 250 to Rs. 499.

(d) From Rs. 500 to Rs. 999.

(e) From Rs. 1,000 to Rs. 4,999.

(f) From Rs. 5,000 to Rs. 9,999.

(g) From Rs. 10,000 and above.

APPENDIX 3—*contd.*

NOTE.—The above entries may be completed also in the case of firms registered under the Income-tax Act, 1961 with reference to the tax that would be payable if assessed as an unregistered firm.

(b) In case no final assessment has been made it should be stated whether tax paid in advance (or payable) on the basis of return filed under sections 139(1), (2), 141 and 212(3) of the Income-tax, Act, 1961 was:—

- (a) Upto Rs. 100.
- (b) From Rs. 101 to Rs. 249.
- (c) From Rs. 250 to Rs. 499.
- (d) From Rs. 500 to Rs. 999.
- (e) From Rs. 1,000 to Rs. 4,999.
- (f) From Rs. 5,000 to Rs. 9,999.
- (g) From Rs. 10,000 and above.

NOTE.—The above entries may be completed also in the case of firms registered under the "Income-tax Act, 1961" with reference to the tax that would be payable if assessed as an unregistered firm.

9. Please attach a list of:—

- (a) Partners with their addresses if the concern is a firm.
- (b) Persons with their addresses if the concern is an association.
- (c) Adult male members if it is a family concern.
- (d) In case of private Limited Companies the names of all shareholders including the directors with their addresses.
- (e) In the case of Public Limited concerns certificate of incorporation and certificate to prove that the firm is a Public Limited Company.

NOTE.—In the case of Consumers' Co-operative Societies, the requirement of item 9(b) above can be relaxed.

10. I declare that the above mentioned information is correct and complete to the best of my information and belief.

Signature of the applicant
or his authorised Agent.

- (1) Name in Block letters.....
- (2) Full residential address

(TO BE FILLED BY THE INCOME-TAX OFFICER)

1. In my opinion the applicant mentioned above Mr./Messrs..... has been doing everything possible to pay the tax demands promptly and regularly and to facilitate the completion of the pending or outstanding proceedings. The certificate is valid for one year from the date of issue.

APPENDIX 3—*contd.*

2. This is a case for allotment of Exemption Number.

- (i) The partners of the firm are either regular tax payers or have filed the prescribed affidavits, the facts stated in which have been verified. The case has been entered in our registers. I have no objection to an Exemption Number being allowed to this firm for a period of one year from this date.
- (ii) The Directors of _____ which is a Private Limited Company are either regular tax payers or have filed the prescribed affidavits (the facts stated in which have been verified). The name and address of the case has been entered in our registers. I have no objection to an Exemption Number being allowed to this company for period of one year from this date.
- (iii) M/s. _____ which is a Public Limited Company have filed the Incorporation Certificate and the certificate to prove that it is a Public Limited Company. This case has been entered in our registers. I have no objection to an Exemption Number being allowed to this company for a period of one year from this date. The name and address of this case has been entered in our registers.
- * (iv) Shri _____ of _____ (which is a proprietary concern) is a regular tax payer has filed an affidavit in the prescribed form the facts stated in which have been verified. I have no objection to an Exemption Number being allotted to this concern for a period of one year from this date.

This case has been entered in our registers.

- † (v) Refugee Registration Card or Camp Commandant's Certificate has been examined and duly endorsed by me. The name and address of this case has been entered in our registers. I have no objection to an Exemption Number being allowed to this case for a period of one year from this date.
- (vi) Shri _____ has been submitting his income-tax returns for the past 5 years in the status of an individual/HUF; but no tax was levied as the income was below taxable limit. He may be allotted an Exemption Number for a period of one year.

Signature of the Income-tax Officer
Circle/Ward/District.

APPENDIX 3—*contd.*

ANNEXURE II

Affidavits necessary to be produced by class of applicants falling under paragraph 7 above should contain *inter alia* the following declaration signed by the proprietor, the partners of the firms, members of the H.U.F. or Association or Directors in the case of a Private Limited Company applying for the allotment of Exemption Numbers. The person/persons signing the affidavit should also give their name (in block letters) and full residential address.

‘I/We, Proprietor/Partners/Directors/Members of family or association of M/s.....hereby solemnly declare that I/We have no place of income outside India and that my/our income from all sources during the past five years has been below the taxable limit or my/our main source of income during the past five years has been from agriculture which is exempted from payment of tax under section 10 of the Income Tax Act 1961. I/We have had no income from any other source liable to be taxed under the said Act.’

ANNEXURE III

Area where these Income-tax Officers granting the Income-tax Verification Certificates are stationed.	Authority to whom Application for allotment of number should be made.
1. Delhi, Rajasthan, Jammu and Kashmir and Uttar Pradesh.	Joint Chief Controller of Imports (Central Licensing Area), Janpath Barracks B, New Delhi.
2. Himachal Pradesh, Punjab	Export Trade Controller, Amritsar.*
3. Bihar, Orissa, West Bengal, Tripura, Andaman and Nicobar Islands.	Jt. Chief Controller of Imports and Exports 4, Esplanade East, Calcutta.
4. Maharashtra and the State of Gujarat, excluding Kutch and those Districts of Bombay State which were formerly known as Saurashtra.	Joint Chief Controller of Imports and Exports, Nav Bhavan, Ballard Estate, Fort, Bombay.
5. Districts of the State of Gujarat, which were formerly known as “Saurashtra”.	Import and Export Trade Controller, Rajkot.
6. Madras (excluding Coimbatore district) Andhra Pradesh (excluding the districts of Godawari East and West, Guntur, Krishna, Srikakulam and Visakhapatnam).	Joint Chief Controller of Imports and Exports, Madras.
7. Kerala State, Coimbatore district of Madras State, Mangalore district of Mysore and Laccadive, Minicoy and Amindivi Islands.	Dy. Chief Controller of Imports and Exports, Ernakulam.
8. Andhra Pradesh (only districts of Godawari East and West, Guntur, Krishna, Srikakulam and Visakhapatnam.)	Controller of Imports and Exports, Vishakhapatnam.

*Delete the item not applicable [Please See 2(iv) above].

†Applicable to those displaced individual or firms who have entered India within one year from the date of the Application.

APPENDIX 3—*contd.*

Area where these Income-tax Officers granting the Income-tax Verification Certificates are stationed	Authority to whom Application for allotment of number should be made
<hr/>	
9. Assam, Manipur and NEFA	Asstt. Controller of Imports and Exports Shillong.
10. Goa, Daman & Diu	Joint Chief Controller of Imports and Exports, Panjim (Goa).
11. Mysore State except Mangalore Distt.	Controller of Imports and Exports, Bangalore.
12. Pondicherry, Kariakal, Mahe and Yaman.	Controller of Imports and Exports, Pondicherry.
13. Districts of the States of Gujarat which are formerly known as Kutch.	Asstt. Controller of Imports and Exports New Kandla.

APPENDIX 4

[vide para. 28 of Chapter III]

Open General Licences XLIV and XLV

GOVERNMENT OF INDIA, MINISTRY OF COMMERCE AND
CONSUMER INDUSTRIES, IMPORT TRADE CONTROL ORDER
NO. 16/56, DATED THE 29TH SEPTEMBER, 1956.

The following Open General Licence issued by the Central Government under the Imports (Control) Order, 1955, is published for general information.

IMPORT TRADE CONTROL—OPEN GENERAL LICENCE
No. XLIV

In pursuance of the Imports (Control) Order, 1955, the Central Government hereby gives general permission to all person to import into India from any country in the world, except the Union of South Africa any goods of the description specified in the annexed Schedule.

Provided that—

- (i) in the case of goods of the description specified in the Schedule below, such goods have not been produced or manufactured in the Union of South Africa;
- (ii) such goods are shipped on through consignment to India on or before the 30th June, 1957, without any grace period whatsoever; and
- (iii) nothing in this licence shall affect the application to any goods, of any prohibition or regulation affecting the import thereof, in force at the time when such goods are imported

SCHEDULE TO O.G.L. NO. XLIV

Serial No.	Part of the I.T.C. Schedule	Description of goods
1	2	3
10	I	Ferro Chrome
17(iii)	I	Pipes or tubes flexible for passing gas or fluid under pressure and telescopic flush-pipes.
41 (iii)	I	Copper flexible pipes or tubes, for passing gas or fluid under pressure.
42	I	Copper Scrap, whether ingotted or otherwise.
43	I	Chemical lead sheets of 7' and over in width.
43-A	I	Lead, ingot, pig and scrap.

APPENDIX 4—*contd.*

I	2	3
44	I	Zinc or spelter, unwrought, including mazak, alloys of zinc and Aluminium containing not less than 94% zinc, zinc dross dust ashes and zinc in the form of ingots, cakes, tiles, slabs, plates and granulations including all form of zinc scrap and zinc wrought including wire rods, sections, sheets, including highly polished sheet specially prepared for making process blocks lithographic sheet, and the following manufacturers, <i>vis.</i> , zinc perforated sheet cut to size.
46(a)	I	Scrap of Brass, Bronze and similar alloys.
46(b)	I	Nickel alloys and Nickel Chrome alloys (including manufactures and scraps thereof). (NOTE: Nickel alloy and Nickel chrome alloy electric resistance wires will not be allowed under the O.G.L.).
46(d)	I	Bronze flexible pipes or tubes for passing gas for fluid under pressure.
47	I	Copper unwrought, in the form of ingots, blooms' slabs, cakes, tiles, blocks, billets, cathodes, blister bars, electrolytic wire bars and ingot bars.
48	I	Nickel, including nickel scrap in all forms, excluding manufactures thereof but including nickel pellets and nickel anodes.
50	I	Monel metal.
51	I	Tungsten metal powder and other tungsten products.
52	I	Molybdenum metal powder and molybdenum wire.
57 (c)	I	Railway or tramway coiled springs.
58	I	Locomotive Pistons, Rods and Motion Parts.
11	II	German Silver including Nickel Silver and scrap thereof.
13	II	Aluminium wire rods having a purity of 99.5% or more (for the manufacture of electrical conductors).
17 (a)	II	Cadmium, cobalt, manganese, magnesium, bismuth, tungsten, molybdenum, chromium, vanadium and other virgin non-ferrous metals, not otherwise specified, and manufactures thereof including Nickel manufactures and also including monel metal manufactures, Dental Silver alloy in 1 and 5oz. packing, aluminium lead winged galzing bars and magnesium powder, also electrodes rods, foil, wire and strip for gas welding and brazing but excluding non-ferrous semi-manufactures and alloys. (NOTE :—All solders, n.o.s. including soft (also silver brazing alloy solders), hard and cored, are not covered by this entry in the O.G.L.).
19(3)(i)	II	Taper bearings.
9(3)(ii)	II	Component parts of Taper Bearings.
19(3)(ii) etc.	II	Nuts, washers and adapter sleeves adapted for use in Ball, Roller and Taper Bearings.
30(f)(iii)	II	Spare parts of Diesel Engines, the following namely :— Springs.
34 (a)	II	(i) Special pumps for fuse Caustic soda or acids. (ii) Vacuum pumps, electric either complete with or without base plate and motor of capacity not exceeding 2 H.P., for use in laboratory, provided the motor is not of the prohibited types.
41-A	II	Synthetic Graphite and Amorphous carbon Electrodes, as used in Electric Furnaces for production of Iron, Steel Ferro-alloy and non-ferrous metals. Synthetic Graphite and Amorphous carbon Electrodes for use in electrolytic processes. Carbon Furnaces (liner) blocks for use in Electric Furnaces.

APPENDIX 4—contd.

I	2	3
43 (c)	II	Flexible metallic tubes designed as a part of Electric transmission system.
46(b)	II	Electric Carbons.
46-A(c)	II	Hearing Aid Batteries.
46-A(d)	II	Diaphragms for electrolytic cells.
1(a)	III	Hydrosulphite of soda, Rangolite C (Sodium Sulphoxylate Formadehyde) or Formosul L. and Sodium nitrate.
5 (1)	III	Card Clothing and Card Accessories.
37	IV	Flower seeds
109	IV	The Drugs and Medicines listed below, either in their pure form or as preparations thereof, containing one or more of the specified items in prophylactic or therapeutic quantities, except where preparations are specifically excluded, and also excluding Pharmacopoeial Tinctures and Liquors, provided that in the case of drugs and medicines or preparations thereof covered by the Pharmacopoeias recognised under the Drugs Act and the rules thereunder, the consignments should conform to the standards prescribed in the respective Pharmacopoeia. Acid Acetyl Salicylic excluding preparations thereof. Acid Salicylic excluding preparations thereof. Amino acids obtained from protein disintegration or by synthesis and whole protein serving as source of amino acids. Anion and Cation exchange resins intended for medicinal use. Anaesthetics, surface, regional and general (excluding other anaesthetics, chloroform and ethyl chloride). Apomorphine Hydrochloride. Balsam Tolu excluding preparations thereof. Barium Sulphate for X-ray examination excluding preparations thereof. Calcium Glucono Galacto Gluconate excluding preparations thereof. Choline Chloride excluding preparations thereof. Corticotrophin (ACTH) Cortisone and hydrocortisone and their derivatives. Dental anaesthetics excluding ethyl chloride. Diethyl Carbamazinc. Digitalis and active principles of digitalls. Emetine Hydrochloride excluding preparations thereof. Ergot and its Alkaloids excluding Extract Ergot Liquid and also excluding preparations of Ergot in combination with Apiol. Glandular drugs and hormones natural and synthetic, excluding preparations thereof. Hexamine. Homatrophine hydrobromide. Inositol excluding preparations thereof. Insulin, all sorts. Iodine excluding preparations thereof. Medicinal contraceptives. Menthol excluding preparations thereof.

APPENDIX 4—*contd.*

1	2	3
		<p>Methadone Hydrochloride or Amidone Hydrochloride. DI-Methionine and its derivatives. Mercury salts excluding preparations thereof. Methyl Salicylate excluding preparations thereof. Normal Human Blood Plasma. Paraldehyde. Pethidine Hydrochloride excluding preparations thereof. Phenol excluding preparations thereof. Phenacetin excluding preparations thereof. Pilocarpine and its salts. Sulpha drugs (other than Sulphadiazine, Sulphapyridine, Sulphathiazol and Sulphadimidine) excluding preparations thereof. Tetrachlorethylene excluding preparations thereof. Thiopentone sodium excluding preparations thereof. Tuberculin. Vitamins excluding preparations thereof and also excluding cod-liver oil and other fish liver oils, and preparations thereof. X-Ray diagnostic reagents excluding preparations of Barium Sulphate.</p> <p>(NOTE 1.—The provisions of the Drugs Act, 1940, and the rules thereunder should be complied with, wherever necessary).</p> <p>(NOTE 2.—The term 'preparations thereof', wherever excluded from the scope of OGL, would also cover tablets and ampules thereof).</p>
122	IV	Plumbago and Graphite.
126	IV	Pine Oil.
162	IV	Trade catalogues and advertising circulars, imported by packet book or parcel post.
*169	IV	Standard technical books or books of reference concerning law and legal practice, or for use in connection with medical practice, scientific research, or industrial processes.
*170	IV	Books, printed, including covers for printed books, maps, chart and plans, proofs, music manuscripts, and illustrations specially made for binding in books, but excluding books falling under Serial No. 169 of Part IV of I.T.C. Schedule.
		<p>*NOTE.—Microfilms of books, maps, charts and plans, proofs historical records for historical research etc. will also be allowed under O.G.L.</p>
237 & 238	IV	<p>Refractories, special types thereof, the following, and including refractory cement and mortar therefor :—</p> <p>Acid and heat resisting bricks and packing rings for 98% Sulphuric acid.</p> <p>Asbestos Bricks, and Blocks, exceeding 1/2" in thickness.</p> <p>Carbon Bricks.</p> <p>Chrome Magnesia Bricks.</p> <p>Diatomite Bricks.</p> <p>Diaspore Bricks.</p>

APPENDIX 4—contd.

1	2	3
		Dolomite Bricks.
		Dolomite-Chromite Bricks.
		Fused Alumina Bricks or Molten Alumina Bricks.
		Fused Silica ware.
		Plumbago Bricks.
		Refractory Porcelain.
		Semi-Silica Bricks.
		Silicon Carbide and similar bricks.
		Spinel Bricks.
		Zircon or Zirconium Silicate Bricks.
		Zirconia Bricks.
275(a)	IV	Monel metal pop rivets.
302	IV	X-Ray films.
305	IV	The following items of Photographic Apparatus, specially designed for use as part of or in conjunction with scientific or optical instruments, namely :— Microscope cameras. Spectrographic cameras and plates and films. X-Ray Diffraction cameras and plates and films.
337	IV	Empty Gelatine capsules.
14	V	Metallic ores, all sorts, except ochres and other pigment ores but including Antimony ore, in lump, powder or concentrated form.
22	V	The following Chemicals, whether B.P. or U.S.P. standard or otherwise, namely :— Aluminium Fluoride. Ammonium carbonate and bicarbonate. Antimony Sulphide. Arsenious Acid Arsenic Trioxide. Barium Nitrate. Barium Peroxide. Bismuth Oxide. Chemically pure Mercury. Calcium Silicide. Carbamita undyed. Case hardening compounds, like Rapidip, etc. Chloro Sulphonic acid. Cobalt Sulphate. Cyclohexanol. Deca-hydro-naphthalene. Diethanolamine. Diacetone Alcohol. Epichlorhydrin. Formaldehyde. Dichlorodifluoromethane Gas and its modified products used for refrigeration and air-conditioning purposes.

APPENDIX 4—contd.

1	2	3
		Grey Cast Iron powder. Iodine. Phenol. Parachloro meta cresol. Phosphorous Amorphous. Rare Gases, e.g., Helium, Neon, Krypton, Xenon, Argon and mixtures of Argon and Nitrogen. Butane gas. Resorcinol. Rubber Accelerators. Rubber Antioxidents. Sodium Azide Solids. Sodium Cyanide. Strontium Oxalate. Strontium Peroxide. Urea.
22-A	V	Gas cylinders when imported with gas provided gas is included in this O.G.L.
25(a)	V	Sulphur, crude, below 97 per cent.
25(b)	V	Refined Sulphur.
25(c)	V	Sulphur, other than those mentioned in 25(a) and 25(b)/V above including Conditioned Sulphur.
29(a)	V	Selenium and Selenium di-oxide.
31	V	The following Chemicals, whether B.P. or U.S.P. standard or otherwise, namely:— Boric Acid including Boric Oxide, Boric Acid, Glass powder Boric Acid Anhydride. Potassium Ferrocynalde. Potassium Perchlorate Powder. Potassium Hydroxide.
40(a)	V	Rock phosphate.
43	V	Wood pulp.
65	V	Acid resisting and chlorine resisting Blowers and Compressor Chlorine and acid resisting valves and Acid resilient parts thereof. Chlorine cylinders and valves thereof, Cylinder testing equipments and spares, Spraying nozzles for chamber plants.
93	V	The following Optical and other Instruments, namely: — Dental Suction Forms, Dental Scrapers and finishers, Dental contouring pliers. Extraction Thimbles.
94	V	Dental rubber suction discs.
94	V	Dental rubber 1/2 lb. pk. Denture rubber ligatures.
98	V	Asbestos raw.

APPENDIX 4—*contd.*

1	2	3
106	V	Gas black, thermatomic black, acetylene black and carbon black also including lampblack.
110	V	Nickel catalyst.
116(ii)	V	Synthetic resins, all sorts, n.o.s. other than Phenolic and Alkyd resins.
		NOTE— Import of hardners, catalysts, accelerators, modifying agents and release agents will be permitted under this O.G.L. provided a corresponding quantity of resin is also imported.
122	V	<p>The following articles of Laboratory ware made of Silica, namely:—</p> <p>Silica weighing bottles.</p> <p>Silica specific gravity bottles.</p> <p>Silica basins and dishes.</p> <p>Silica beakers.</p> <p>Silica capsules.</p> <p>Silica asseroles.</p> <p>Silica crucibles.</p> <p>Silica cover glasses.</p> <p>Silica flasks all types.</p> <p>Silica plates.</p> <p>Silica muffles.</p> <p>Silica plungers.</p> <p>Silica retort tubes</p> <p>Silica tiles.</p> <p>Silica tubes.</p> <p>Silica triangles on nichrome wire.</p> <p>Silica tubing.</p> <p>Silica cells.</p> <p>Silica combustion boats.</p> <p>Silica porous dishes.</p> <p>Silica funnels.</p> <p>Silica interchangeable ground joints.</p>
122(ii)	V	Flourspar in lump or powder form.
122 (xxvi)	V	Vanadium catalyst.
122	V	Silica ware equipment, for sulphuric, hydrochloric and nitric acid plants, ceramic equipments for chlorine plants.
122	V	Silicon.

APPENDIX 4—*contd.*GOVERNMENT OF INDIA, MINISTRY OF COMMERCE AND
CONSUMER INDUSTRIES, IMPORT TRADE CONTROL ORDER
NO. 17/56, DATED THE 29th SEPTEMBER, 1956.

The following Open General Licence issued by the Central Government under the Imports (Control) Order, 1955, is published for general information.

IMPORT TRADE CONTROL—OPEN GENERAL LICENCE
No. XLV

In pursuance of the Imports (Control) Order, 1955, the Central Government hereby gives general permission to all persons to import into India from all countries except (a) the United States of America and any territory under the suzerainty or sovereignty of the United States of America, Canada (including New Foundland), and other American Account countries, consisting of the Philippine Islands, Bolivia, Columbia, Costa-Rica, Cuba, Dominican Republic, Equador, Guatemala, Haiti, Honduras, Mexico, Nicaragua, Panama, Salvador, Venezuela and Liberia and (b) Union of South Africa, any goods of the description specified in the annexed Schedule.

Provided that—

- (i) in the case of goods of the description specified in the Schedule below, such goods have not been manufactured or produced in any of the excepted territories mentioned above;
- (ii) such goods are shipped on through consignment to India on or before the 30th June, 1957, without any grace period whatsoever; and
- (iii) nothing in this licence shall affect the application to any goods, of any prohibition or regulation affecting the import thereof, in force at the time when such goods are imported.

SCHEDULE TO O.G.L. NO. XLV

Serial No.	Part of the I.T.C. Schedule	Description of goods
1	2	3
11(a)	I	Refined Ferro-Manganese (all grades below 3 per cent. Carbon).
45(a)	I	Tin block and Tin scrap.
45-(A)	I	Tin, wrought, including the following <i>viz.</i> , foil and wire.

APPENDIX 4—*contd.*

1	2	3
9(a) & (b)	II	Forged steel balls sizes above 9/16 inches diameter.
9(d)	II	Iron or steel coated and uncoated rods, wire, foil and strip for gas welding and brazing.
12	II	Aluminium electrodes.
20(1)(e)	II	Tools and cutters tipped, with either tungsten carbide tips or stellite solid or inserted type tungsten carbide tips and stellite tips.
20(2)(a)(i)	II	Circular Saws, inclusive of inserted blade type and inserts thereof.
20(3)(b)(i)	II	The following hand tools, <i>viz.</i> , tube expanders and hand saws except fret or piercing saws.
24(a)(i)	II	Diamond lapping wheels or grinding wheels impregnated with diamond dust.
24(a)(ii)	II	Other manufactures of synthetic abrasive grains impregnated with diamond dust.
37(1)	II	The following textile machinery and apparatus by whatever power operated when required for jute and hemp textile industries namely :—heald cords and heald knitting needles jacquard machine jacquard harness linen cords, jacquard cards, punching plates for jacquard cards, multiple box sleys, solid border sleys, tape sleys swivel sleys, heald knitting machines, dobby cards, doubling machines, cone winding machines, piano card cutting machines harness building frames, card lacing frames, drawing and denting hook, hank boilers, mail eyes, lingoes, take-up-motions, temples printing machines other than treadle printing presses ; but excluding warp and weft preparation machinery and looms, warping mills, tape looms, sizing machines, sewing thread, ball making machines, cumble-finishing machinery, bobbins, prints and pickers, reeds, shuttles, healds, dobbies, lattices and lags for dobbies.
37(2)	II	Component parts, as defined in Import Tariff Item No. 72(3) of the First Schedule to the Indian Tariff Act, 1934, of only such machinery as is specified in Part II against Serial No. 37(1) of Open General Licence No. XLV excluding those covered by Serial No. 68 of Part V of the Import Trade Control Schedule.
1(f)	III	Carboxy Methyl Cellulose and its salts.
1-B(a)	III	The following dyes, namely ; - Dimethylaniline, Rhodamine, Rhodine.
4(2)&4(6)	III	Yarn and cloth Testing Machines, including Lap Testing Machines. Card Room Grinding and Mounting Machinery, the following: Grinding Rollers. Flat Grinding Machines. Card Top Mounting Machines. Bare Cylinder Grinding Machines. Card Mounting Machines. Saw-Tooth Wire Mounting Machines. Flat-end Milling Machines.
4(2)	III	Roller Covering Machinery, the following : - Cloth Pasting Measuring and Cutting Machine.

APPENDIX 4—*contd.*

1	2	3
		Roller Cloth Compressor. Cutting-up Board (Ordinary). Cutting-up Board with Sliding and Swivelling measure. Roller Leather Grinding Machine. Splicing Machine. Screw Press (Ordinary). Screw Press with Turn-Table. Power Pulling-on Machine. Horizontal pulling-on Machine. Vertical Pulling-on Machine. Quick Action Pulling-on Machine. Roller Ending Machine. Automatic Roller Calender. Grinding Machine. Roller Tester (Ordinary) Roller Tester (with Indicator Dial). Roller Varnishing Machine. Roller Stripping Appliance. Pushing on Machine (For synthetic cots).
4(2)	III	Braiding and Tubular banding Machine.
4(2)	III	Vacuum Stripling plants for flat Carding Engines including all types of Automatic Vacuum Card Strippers.
4(2)	III	Finishing machines [excluding those included in Appendix XXXV to Public Notice No. 25 I.T.C. (PN) 56, dated 30th June, 1956].
4(5)&4(6)	III	Component parts as defined in Item No. 72 (3) of the First Schedule to the Indian Tariff Act, 1934 of only such machinery as is specified against Sr. No. 4(2) or 4 (6) Pt. III, of O.G.L. No. XLV.
5(1)	III	Automatic Reaching-in Machines. Automatic Drawing-in Machines. Automatic Warp Tying Machines. Mail Eyes. Lingoes. Hank Boilers.
5(2)	III	Component parts as defined in item No. 72(3) of the First Schedule to the Indian Tariff Act 1934, of only such machinery as is specified against S. No. 5 (1), III of O.G.L. No. XLV and also Ring Travellers, Copper Rollers and Doctor Blades for cloth printing machines.
42	IV	Fodder, Bran and Pollards.
43	IV	Wattle extract.
44	IV	Wattle bark.
45	IV	Barks for tanning excluding wattle bark.
50	IV	Stick lac and seed lac.
108	IV	Amalgams and Mercury compounds (including their preparations but excluding antifouling compositions).

APPENDIX 4—*contd.*

1	2	3
109	IV	<p>The Drugs and Medicines, listed below, either in their pure form or as preparations thereof, containing one or more of the specified items in prophylactic or therapeutic quantities, except where preparations are specifically excluded, and also excluding pharmacopoeial Tinctures and Liquors, provided that in the case of drugs and medicines or preparations thereof covered by the Pharmacopoeias recognised under the Drugs Act and the rules thereunder, the consignments should conform to the standard prescribed in the respective pharmacopoeia.</p> <p>Acetanilide excluding preparations thereof.</p> <p>Acid Tannic excluding preparations thereof.</p> <p>Acid Tartaric excluding preparations thereof.</p> <p>Adeps Lanae excluding preparations thereof.</p> <p>Arsenical preparations for treatment of venereal diseases.</p> <p>Bismuth Tribromophenate excluding preparations thereof.</p> <p>Bismuth Oxide, excluding preparations thereof.</p> <p>Calcium Hypophosphite excluding preparations thereof.</p> <p>Enzymes.</p> <p>Glycosides of Strophanthus and Scilla.</p> <p>Leptazol.</p> <p>Mercurial Diuretics.</p> <p>Substitutes for Normal Human Blood Plasma comprising—</p> <p>(1) Solution of Polysachharide Glucose Molecules and</p> <p>(2) Solution of Polyvinyl Pyrrolidone approved by the Drugs Controller (India), Directorate General of Health Services, New Delhi.</p> <p>Physostigmine and its salts.</p> <p>Pyrozojone and its derivatives.</p> <p>Sodium Camphor sulphonate.</p> <p>Stibophen.</p> <p>Sera, Vaccines, Toxins, anti-toxins, etc., excluding Cholera Vaccine, T. A. B. Vaccines, Anti-rabic vaccine and Anti-venom Serum.</p> <p>Thiouracil and its alkyl derivatives.</p> <p>Urea.</p> <p>NOTE 1.—The provisions of the Drugs Act, 1940, and its rules thereunder should be complied with, wherever necessary.</p> <p>NOTE 2.—The term 'preparations thereof' wherever excluded from the scope of O.G.L., would also cover, 'tablets and ampoules thereof'.</p>
143(a)	IV	Chrome splits.
144	IV	Hides and Skins, raw or salted.
174(a)	IV	Textile materials, the following ;
		Raw flax and all other unmanufactured textile materials n.o.s. excluding raw jute.

APPENDIX 4—*contd.*

1	2	3
266	IV	Mercury.
325(g)	IV	Guts for tennis and badminton rackets made of Synthetic fibre such as Nylon and Perlon.
332 & 333	IV	Models of Human Jaw.
22	V	Fish preservatives, other than salt but including goraka.
31	V	Taunic Acid.
39	V	Explosives, namely :—Balistite Blasting gunpowder, Blasting gelatine, Blasting dynamite, Blasting reburite, Blasting tonite and all other sort including detonators and Blasting fuses.
40(c)(ii)	V	Sulphate of Potash.
41(i)(b)	V	Rubber contraceptives.
47(a) & (b)	V	Wool raw (meriono wool and cross : breds only), wool tops, shoddy wool waste, pulled wool wastes and noils.
68	V	Rubber blankets (including Mackintosh) for printing presses (including cloth printing Machines).
92(d)	V	Yarn and cloth testing machines, including Lap Testing Machines.
92(e)	V	Gas masks and refills.
92(x)	V	Protective equipment the following required for personal use of workers in a factory, mine or fine bridge :— (i) Oxygen breathing apparatus. (ii) Supplied air respirators (hose masks). (iii) Mechanical filter respirators.
104	V	Industrial diamond in all form including diamond grit and powder.
113-B	V	Polydichlorostyrene Resin.
113-D	V	Polyvinyl Acetate Resin.
113-E	V	Polyvinyl Butyral Resin.
113-H	V	Polyvinyl Chloride Resin powder. (NOTE :—Import of emulsions, dispersions and other formulations of resins will not be covered by O.G.L.)
113-J	V	Polythylene moulding powder.
122(ix)	V	Cryolite.
122(x)	V	Casein.
122	V	Petroleum Coke.

S. N. BILIGRAMI,

Joint Secretary to the Government of India.

APPENDIX 5

(Vide para 29 of Chapter III)

QUOTA CERTIFICATE NO.

- *1. C. C. I & E., New Delhi
- *2. J.C.C.I & E, Bombay/Calcutta/
Madras/Goa/CLA, New Delhi.
- *3. D.C.C.I., Ernakulam
- *4. I.E.T.C., Rajkot.
- *5. C.I. & E., Pondicherry/
Vizagapatnam./Bangalore.
- *6. A.C.I. & E., Kandla/Shillong.

IMPORT TRADE CONTROL
NOT TRANSFERABLE

Certified that Messrs.....

..... have
satisfactorily established by means of—

Bills of Entry/Postal, declaration forms and

*Customs Duty receipts with relevant invoices and Bank Drafts

in the prescribed form, that they imported from.....
all ports in India

at _____

the port of

goods as per given below during the financial year 19 19 :—

Description of goods.....

Serial No. and Part of the I. T.C. Schedule.....

Quantity.....

Value (c.i.f.) Rs. Rupees.....
(In figures) (In words)

2. This certificate is issued without prejudice to the right of the licensing authority to recall for re-examination the documentary evidence furnished in support of the above imports.

Seal

Section Officer/
Assistant Controller.

*for C.C. Imports & Exports
 *for Jt. C.C. Imports & Exports.
 *for Dy. C.C. Imports & Exports.
 *Import/Export Trade Controller.

.....196

*Score out whichever is not applicable.

APPENDIX 5—contd.

Particulars of Import Licences Issued—against the Quota Certificate

- (i) Licence No.dated.....
for Rs.....for the period.....
issued.
- (ii) Licence No.dated.....
for Rs.for the period.....
issued.
- (iii) Licence No.dated.....
for Rs.for the period.....
issued.
- (iv) Licence No.dated.....
for Rs.for the period.....
issued.
- (v) Licence No.dated.....
for Rs.for the period.....
issued.
- (vi) Licence No.dated.....
for Rs.for the period.....
issued.
- (vii) Licence No.dated.....
for Rs.for the period.....
issued.
- (viii) Licence No.dated.....
for Rs.....for the period.....
issued.
- (ix) Licence No.dated.....
for Rs.....for the period.....
issued.
- (x) Licence No.dated.....
for Rs.for the period.....
issued.
- (xi) Licence No.dated.....
for Rs.for the period.....
issued.
- (xii) Licence No.....dated.....
for Rs.....for the period.....
issued.
- (xiii) Licence No.dated.....
for Rs.for the period.....
issued.
- (xiv) Licence No.dated.....
for Rs.for the period.....
issued.

APPENDIX 6

(Vide para. 30 of Chapter III)

Form of Affidavit

****Form of affidavit to be produced in cases where the Customs Copy of the Bill of Entry has been lost or misplaced and the Exchange Control Copy thereof or a true copy of the Bill of Entry certified by the Customs Authorities is produced as evidence of past imports.**

"I/We solemnly declare that the Customs Copy/Exchange Control Copy of the Bill of Entry Cash No.....dated.....has been lost or misplaced without having been produced for getting a licence for the same goods or for some other goods or for any other purpose to any licensing authority. The Exchange Control Copy/Customs Certified Copy of Bill of Entry is therefore produced for purposes of calculation of quota. The Customs Copy/Exchange Control Copy of the Bill of Entry in question if traced or found later will not be produced in future to obtain a licence for the same goods or some other goods, to the same licensing authority or to any other authority."

(Vide para. 210 of Chapter XIV)

(i) Form of affidavit for obtaining duplicate copies of licences and Customs Clearance Permits which are lost or misplaced.

"I/We hereby solemnly declare that Customs purposes copy/exchange purposes copy both copies of licence No.....issued to me/us for the import offromhas been lost or misplaced without having been registered with any Customs authority and utilised at all or after having been registered with.....(Customs House).....and utilised partly. The total amount for which the licence was issued is Rs.....and the total amount for which the original copy/or duplicate copy, if any, issued was utilised is Rs. The duplicate copy now required is to cover the balance of Rs. I/We further solemnly declare that the said licence has not been cancelled, pledged, transferred or handed over by me/us or my/our behalf to any other party for any purpose/consideration whatsoever and that the original licence, if traced later, will not be utilised by me/us but will be returned to the issuing authority for cancellation."

(Vide para. 42 of Chapter III)

(ii) Form of affidavit to be produced in cases where the quota certificates issued by the licensing authorities are lost or misplaced.

****This affidavit should be submitted on stamped paper, for the value prescribed in applicant's state.**

APPENDIX 6—*contd.*

"I/We hereby solemnly declare that quota Certificate No..... dated..... granted to me/us, by DCCI & E/JCCI & E..... for..... (S. No.....) for Rs. during the year..... on the basis of past imports made during the basic year..... has been lost or misplaced without its being produced before any licensing authority for getting an import licence for the same or any other goods or before the S.T.C. or any other authority for obtaining an allotment of imported goods.

I/We hereby further declare that the said quota certificate has not been cancelled, pledged, transferred or handed over by me/us or on my/our behalf to any other party for any purpose/consideration whatsoever and that the original quota certificate if traced later, will not be produced in future before any licensing authority to obtain a licence or for allotment of imported goods from S.T.C. or any other authority but will be surrendered to the licensing authority concerned for cancellation. I/We further solemnly declare that to the best of my/our knowledge and belief the said quota certificate was utilised by me/us upto the licensing period..... etc."

(*Vide* para. 47 of Chapter III)

CERTIFICATE I.*

Certified that we..... with Head Office at..... and Branches at..... have for the purposes of import of..... from..... selected..... as the common basic year and the quota certificate hereto appended is based on previous imports in this common basic year.

CERTIFICATE II.*

Certified that we..... with Head Office at..... and Branches at..... have for the purpose of imports of..... from..... selected..... as the common basic year and that we have not yet obtained revised quota certificates based on imports in this common basic year.

*Not necessary to furnish these certificates on stamped paper.

APPENDIX 7

(Vide para. 49 Chapter III)

**FORM OF APPLICATION FOR RECOGNITION AS ESTABLISHED IMPORTERS AND
GRANT OF QUOTA ON CHANGE IN THE OWNERSHIP OF BUSINESS**

1. Name of applicant.

- (a) Trade or business name
- (b) Address
- (c) Names of branches, if any, with their addresses
- (d) Ownership, whether
 - (i) individual
 - (ii) partnership
 - (iii) karta of undivided family
 - (iv) limited company
 - (v) any other association or body of individuals.
- (e) Names of individuals in case of (i), (iii) and (v) above, names of partners in case of (ii) above and names of directors in case (iv) above.

NOTE.—In case of (ii), the partnership deed should be sent with the application.

- 2. (a)** Trade or business name and address of the established importer whose quota is sought to be transferred either wholly or in part.
- (b)** Names of branches, if any, with their addresses. The details of branches closed in the past may also be furnished.
- (c)** Whether the established importer in (a) above was
 - (i) an individual
 - (ii) a partnership
 - (iii) a karta of a Hindu undivided family in respect of the family business.
 - (iv) limited company
 - (v) any other association or body of individuals.
- (d)** Names of the individuals in case of (i), (iii) and (v) above, names of partners in case of (ii) and names of directors in case of (iv) above.

NOTE.—In case of (ii), the partnership deed should be sent with the application.

- 3. Date on which the business in (2)(a) above was first established.**

APPENDIX 7—*contd.*

4. The last transfer, if any, of quota allowed previously in respect of the business, and the number and date of the order allowing such transfer.

5. Mention changes in the ownership of the business due to admission, retirement or death of partners or transfer of business or any other reason whatsoever since 1-4-1951, or date given in item (3) above or the date mentioned if any, in item (4) above, whichever is latest.

NOTE.—All documents evidencing the said changes or as required by paras. 49—66 of the Hand Book of Rules and Procedure, 1964 should be sent with the application.

6. Why was no application made for recognition of the change mentioned in (5) above?

7. Particulars of licences, if any, obtained without obtaining recognition of change (i.e., licence number, name of commodity, value of licence, licensing period and licensing authority).

8. Particulars of the quotas sought to be transferred (i.e., Number, date and value of quota certificate, the name of commodity and the basic year as mentioned therein and the licensing authority).

9. Whether there is any order in force against the said established importer under clause 8 of the Imports Control Order, 1955 or clause 8 of the Exports Control Order, 1962 suspending issue of licences or debaring him from receiving licences, and the number and date of the order.

10. The share which applicants claim in the quota of the established importer and any reason for the same.

11. List of documents enclosed with the application:

1.....

2.....

3.....

4.....

I/We hereby declare that the above statements, are true and correct to the best of my/our knowledge and belief. I/We fully understand that the transfer/division of quotas if and when granted to me/us on the basis of statements furnished is liable to cancellation without prejudice to any other action

that may be taken against me/us in this behalf, if any of the statements or facts given above are found to be incorrect or false at any stage.

Date.....

Signature.....~~THE~~.....*

Name in Block Letters

.....

Designation.....

Residential Address.....

.....;

.....

APPENDIX 8

(Vide para 49 of Chapter III)

JURISDICTION OF LICENSING AUTHORITIES FOR RECOGNITION OF
NEW ESTABLISHED IMPORTERS AND GRANT OF QUOTAS

Authority to whom applications for recognition of new established importers and grant of quotas should be made	Jurisdiction
<hr/>	
1. Joint Chief Controller of Imports & Exports (Central Licensing Area), Janpath, Barrack B, New Delhi.	States of Himachal Pradesh, Delhi, Rajasthan, Jammu and Kashmir, Uttar Pradesh and Punjab.
2. Joint Chief Controller of Imports and Exports, 4, Esplanade East, Calcutta.	States of Assam, Bihar, Orissa, West Bengal, Manipur, Tripura, Andaman and Nicobar Islands and Nefa.
3. Joint Chief Controller of Imports and Exports, Gulam Mohd. Bldgs., Ballard Estate, Fort, Bombay.	States of Maharashtra, Gujrat and Madhya Pradesh.
4. Joint Chief Controller of Imports and Exports, Madras.	States of Madras (excluding Coimbatore District) Andhra Pradesh and Mysore (excluding Mangalore District) French Establishment in India, namely, Pondicherry, Karaikal, Mahe and Yammam.
5. Joint Chief Controller of Imports and Exports, Panjim (Goa).	Goa, Daman and Diu.
6. Deputy Chief Controller of Imports and Exports, Ernakulam.	Kerala State, Coimbatore Distt. of Madras State, Mangalore Distt. of Mysore State and Lacadive, Minicoy and Amindiv, Islands.

APPENDIX 9

(Vide paras 72 and 75 of Chapter IV)

**CERTIFICATE OF CONSUMPTION AND ACTUAL REQUIREMENTS OF
RAW MATERIALS TO BE ISSUED TO ACTUAL USERS BY DIRECTOR OF
INDUSTRIES OF STATES OR OTHER CERTIFYING AUTHORITIES FOR
PERIOD.**

Name and full address of the firm	.....

Date of submission of application for essentiality certificate to the Director of Industries or other certifying authority	.....
1. Whether applicant is a fabricator/ manufacturer?	.....
2. Name of articles manufactured	.....
3. Production capacity	.....
4. Production during two preceding years	.....
5. Details of existing machines. (Note : In the the case of textiles, number of looms, spindles and other spinning apparatus should be specified.)	.....
6. No. of workers employed (this should exclude those who are not working on machines)	.....
7. Numbers of shifts in force	.....
8. Factory site and address	.....
9. Description of imported raw material used	.....
10. Can this material be obtained from indigenous sources or are suitable substitutes available?	.....
11. Stocks (Quantity) held by the applicant whether in its own godown, lying with the Banks under produce loans Account or anywhere else on the date of application and how long they are expected to last	.....
12. Consumption during two preceding years	.....
13. Present annual requirements	.....
14. Quantity and value of the goods applied for, which are still to be imported by the firm against licences already issued	.....

APPENDIX 9—*contd.*

15. Quantity of goods applied for, recommended for import during the current period
16. C.I.F. value of quantity recommended.
17. Brief reasons for recommendations. In case the Quantity/Value recommended is more than what was certified during the previous half year, or where any new item has been recommended, brief reasons therefor.
18. Whether the firm is submitting any return of production figures to the Director of Industries or D.G. (T. D.) or any other Government or Semi-Government authority?
19. Any other particulars
20. Date on which the factory was last inspected
21. Seal of the office of the recommending authority
- No. *Signature and designation of the recommending Authority.*
- Date

APPENDIX 10

(Vide para. 72 of Chapter IV)

LIST OF STATE DRUGS CONTROL AUTHORITIES

S. No.	Name of the State	Office address of the Drugs Control Authority.
1. Andhra	Director, Medical Services, Andhra Hyderabad (Deccan).	
2. Assam	Director of Health Services, Assam, Shillong.	
3. Bihar	Director of Health Services, Bihar, Patna.	
4. Gujarat	Director, Drugs Control Administration, Gujarat State, Ahmedabad-16.	
5. Kerala	Drugs Controller, Kerala Dte. of Health Services, Kerala, Trivandrum.	
6. Madhya Pradesh	Drugs Controller, Madhya Pradesh, Directorate of Health Services, Moti Bungalow, Indore.	
7. Maharashtra	Director, Drugs Control Administration, Maharashtra, 127, Mahatma Gandhi Road, Fort, Bombay.	
8. Madras	Director of Medical Service, Madras State, 79—81, Mount Road, Madras.	
9. Mysore	Director of Public Health, Mysore State, Seshadri Road, Bangalore.	
10. Orissa	Director of Health Services, Orissa, Bhubaneswar.	
11. Punjab	State Drugs Controller, Punjab Dte. of Health Services, General Hospital Building, Sector 26, Chandigarh.	
12. Rajasthan	Director of Medical and Health Services Rajasthan, Jaipur.	
13. Uttar Pradesh	Director of Medical and Health Services Uttar Pradesh, Lucknow.	
14. West Bengal	Drug Licensing Officer, Directorate of Health Services, Mitra Buildings, 8, Lyons Range, Calcutta.	
15. Delhi	Superintendent, Medical Services, Delhi Administration, 15 Alipur Road, Delhi.	
16. Himachal Pradesh	Director of Health Services, Himachal Pradesh, Simla-4.	
17. Manipur	Director of Medical and Health Services Manipur, Imphal.	
18. Tripura	Superintendent, V. M. Hospital and I/C Health Directorate, Tripura Agartala.	

APPENDIX 11

(Vide para. 75 of Chapter IV)

FORM OF ESSENTIALITY CERTIFICATE FOR LICENSING TO SMALL SCALE INDUSTRIES

For Raw Materials and Components

ESSENTIALITY CERTIFICATE

(For Small Scale Industries only)

Office of the Director of Industries

Essentiality Certificate for..... period

Form of Certificate as to manufacturing capacity and actual requirements to be attached to actual users' import applications from Small Scale Industries

1. Name of the firm.....
Full Postal address:—
 (i) House/Shop No.
 (ii) Name of the Street/Road.....
 (iii) Name of locality.....
 (iv) Name of the State.....
 Address of location of the factory.....
2. Registration No. allotted to the Small Scale Unit.
3. Name of the articles manufactured OR proposed to be manufactured.
4. Details of estimated production: capacity, weight, number or volume basis.
5. Existing or proposed Block capital investment in rupees for:—
 (i) Machinery and Equipment.
 (ii) Land and Buildings or Rent of premises.
6. Details of goods recommended for import and the end products:—
 (i) End Product.
 (ii) Description of goods recommended for import for the above end product.
 (iii) Quantity/Number.
 (iv) c.i.f. value in rupees.....

APPENDIX 11—*contd.*

7. Has the unit commenced production?
If so, indicate the date of commencement of production.
8. General information regarding stocks of raw materials etc.:—
 - (i) Date of submission of application for essentiality certificate to the Director of Industries.
 - (ii) Stocks (in terms of number/quantity/value) of such raw materials and components in hand on the date of application for essentiality certificate.
 - (iii) The expected arrivals of such stocks (in terms of number/quantity/value) on or after the date of application for essentiality certificate against licences in hand.
 - (iv) Period for which stocks at (iii) and (ii) are likely to last.
9. Past consumption of the above imported raw materials and components (item-wise) during the preceding two licensing periods.
10. In the case of components and raw materials, are there facilities for their utilisation for the purpose in view?
 - (a) Premises
 - (b) Machinery
 - (c) Power
11. Attempts made so far to secure raw materials and components from indigenous sources.

Certificate.—I am satisfied that this firm is engaged in the production/is desirous of establishing production of the article or articles mentioned above and that they have a genuine difficulty in obtaining the raw materials etc., the import of which is now recommended.

Director of Industries

State of.....

.....)

APPENDIX 12

(Vide para. 75 of Chapter IV)

For Machinery and Capital Equipment

ESSENTIALITY CERTIFICATE

(For Small Scale Industries only)

Office of the Director of Industries

Essentiality certificate for.....period

Form of Certificate as to manufacturing capacity and actual requirements to be attached to actual users' import application from Small Scale Industries

1. Name of the firm.....

Full Postal address:—

(i) House/Shop No.....

(ii) Name of the Street/Road.....

(iii) Name of locality.....

(iv) Name of the State.....

Address of location of the factory.....

2. Registration No. allotted to the unit.

3. Name of the articles manufactured
OR proposed to be manufactured.

4. Details of estimated production, capacity, weight, number or volume basis.

5. Existing or proposed block capital investment in Rupees:

(1) Machinery and Equipment,	Existing (Rs.)	Proposed (Rs.)	Total (Rs.)
(2) Land and Building, or			
(3) Rent of premises.			

6. Indicate whether the proposed machinery is required for setting up of new units, or for balancing, replacement or expansion of capacity. Attach list of existing machinery and equipment, if any.

7. Details of the machinery recommended for import:

(1) Description of the machinery and equipment.

(2) Quantity of each item.

(3) C.I.F. Value in Rupees.

APPENDIX 12—concl'd.

8. What facilities, if any has the party so far obtained or is likely to obtain for utilisation of machinery on arrival:—

(a) Premises.

(b) Power.

9. Indicate the annual requirements of raw materials/components for purpose of manufacturing of the articles indicated in col. 3 (Three):—

(1) Details of the raw materials.

<u>Indigenous</u>	<u>Imported</u>
Qty. Value	Qty. Value

10. Attempts made so far to secure machinery or equipment from indigenous sources.

11. Indicate whether the applicant is willing to undertake the export of the products already manufactured or proposed to be manufactured by him.

Certificate.—I am satisfied that this firm is engaged in the production/is desirous of establishing production of the article or articles mentioned above and that they have a genuine difficulty in obtaining machinery, equipment the import of which is now recommended.

Director of Industries

State of.....

APPENDIX 13

(Vide paras. 92 and 95—Chapter V)

The following machinery and component parts thereof falling under Serial Nos. 4 and 5 of Part III of the Import Trade Control Schedule and all goods not mentioned hereunder but falling under Serial Nos. 4(1), 4(2), 4(3), 4(4) and 4(5) of Part III of the I.T.C. Schedule, when required by the Cotton Textile Industry.

(NOTE 1.—Component parts are those parts which are illustrated in the Original machinery makers' catalogues. NOTE 2.—The letter (P) denotes productive machinery.)

(A) COTTON SPINNING MACHINERY

- (i) *Mixing and Blow Room Machinery*
- (ii) *Card Room Machinery*
 - (a) Carding Engines.
 - (b) Card Grinding & Mounting Equipments.
 - (c) Vacuum Stripping Plants for Carding Engines.
- (iii) *Combing Machinery*
 - (a) Ribbon Lap Machines.
 - (b) Silver Lap Machines.
 - (c) Lap-former.
 - (d) Comber.
 - (e) Re-Needling Equipment.
- (iv) *Drawing Frames and Speed Frames*
 - (a) Drawing Frames.
 - (b) Lap Winders.
 - (c) Lap Drawing Frames.
 - (d) Slubbing Frames.
 - (e) Single passage Speed Frames (High Draft).
 - (f) Simplex Fly Frames.
 - (g) Intermediate Frames.
 - (h) Roving Frames.
 - (i) Jack Roving Frames.
- (v) *Spinning Room Machinery*
 - (a) Warp & Weft Ring Frames. (P)
 - (b) Mules. (P)
 - (c) Doubler Winding Machines, Ring & Flyer Doublers, Twistors and Double Twistors.

APPENDIX 13—*contd.*

- (d) Tubular, Banding & Braiding Machines. (P).
- (e) Roller Covering, Grinding & Mounting Equipments.
- (f) Bobbin Stripping Machines.
- (g) Yarn Gassing Machines.
- (h) Reels.
- (i) Bundling Presses.
- (j) Yarn Polishing Machines.
- (k) Yarn Conditioning Machines.
- (vi) *Waste Cleaning Machinery*
 - (a) Roving Waste Openers.
 - (b) Thread Extractors.
 - (c) Willow Machines.
- (B) COTTON WEAVING MACHINERY
PREPARATORY MACHINERY
 - (i) (a) *Winding Machines*
Drum Winders, Vertical Spindle Winders, Cheese and Cone Winders, Bottle Bobbin Winders, Prin Winders, and Spool Winders.
 - (b) *Warping Machines*
Beam Warping Machines, Ordinary Creels, Magazine Creels, Sectional Warping Machines, Beaming Machines.
Super speed warping machine.
 - (c) *Sizing Machines*
 - (i) Cylinder Slasher Sizing Machines.
 - (ii) Multi-cylinder sizing machines.
 - (iii) Hot and/or Moist Air Drying Sizing Machines.
 - (d) *Warp Reacher-in-frames (Mechanical and Electrical).*
 - (e) *Automatic Warp Tying Machines.*
 - (f) *Drawing-in-frames (mechanical and automatic).*
- (ii) *LOOMS*
 - (a) Plain Looms, Automatic Looms, Tappet Looms, Drop-Box Looms or Circular Box Looms and Circular Looms. (P)
 - (b) Terry Towel Looms. (P)
 - (c) Tape Looms
 - (d) Ribbon Looms. (P)
 - (e) Webbing Looms. (P)
 - (f) Looms for Waste Yarn Weaving. (P)
 - (g) Duck Looms, Canvas Looms and Blanket. (P)
 - (h) Loom attachment such as Dobbies, Jacquards, Warp Let-off Motions, Positive Take-up Motions, Drop Box Motions, Special Tappets, Warp Stop Motions, Card

APPENDIX 13—*contd.*

Punching Machines, Card Cutting Machines, Repeating Machines, Lacing Machines and Automatic Weft Replenishing Attachments for cop or shuttle change.

(C) BLEACHING, MERCERISING, DYEING, PRINTING, FINISHING AND CALENDERING MACHINERY

(i) *Bleaching Machines*

Gas and Electric Singeing Machines.

Boiling Kiers.

Open width Kiers (Desizing Machines).

Bleaching Croft Washing Machines.

Rope Washing Machines.

Piling Machines.

Chemicking and Souring Equipment.

Squeezer.

Scutcher.

Water Mangle.

(ii) *Mercerising Machines*

Chain and Chainless Mercerising machines with Impregnating Mangle.

Caustic Lye Cooling Plant.

Cylinder Drying Machines.

Automatic Piling Apparatus.

Caustic Soda Recovery, Range.

Hank yarn Mercerising Machines with Cooling Plant

(iii) *Dyeing Machines*

Hank Dyeing Machines.

Cheese Dyeing Machines.

Cone Dyeing Machines.

Beam Dyeing Machines.

Loose Cotton Dyeing Machines.

Card Silver & Flyer Bobbin Dyeing Machines & Plants with Pumping Arrangement and Lifting and Travelling (Mechanical or Electrical).

Hoists for material Carriers.

Dyeing Jiggers—Ordinary and Automatic.

Padding Mangles.

Wince Dyeing Machines.

Hot Air Drying Machines with Cylinders/or Chambers.

Hydro-extractors (Centrifugal and Open Width).

Continuous Dyeing Machines.

Khaki, Aniline and Sulphur Dyeing Plants consisting of:

Padding Mangles.

Vertical Drying Machines.

APPENDIX 13—*contd.*

- Agers.
- Dye Jiggers.
- Washing Range.
- Open Soapers.
- Cylinder Drying Machines.
- (iv) *Printing Machines*
 - Brushing, Shearing and Cropping Machines.
 - Stentering Machines.
 - Colour Pans.
 - Mandrel Forcing Press.
 - Laboratory Printing Machines.
 - Roller Printing Machines.
 - Screen Printing Machines.
 - Cylinder Drying Machines.
 - Hot Air Drying Machines or Hot Flues.
 - Aging Machines.
 - Washing Machines.
 - Open Soaping and Washing Machines and Rope.
 - Soaping & Washing Machines.
- (v) *Finishing Machinery*
 - Starch Mangle.
 - Back Filling Mangle.
 - Cylinder Drying Machines, Hot Air Drying Machines.
 - Stentering Machines (Pin, Clip and Jig).
 - Belt Stretching Machines.
 - Palmer Stretchers.
 - Starching Machines.
 - Beetling Machines.
 - Spray Damping Machines.
 - Brush Damping Machines.
 - Sanforizing Machines.
 - Raising Machines.
 - Cloth Brushing Machines.
- (vi) *Calendering Machines*
 - Friction Calendering Machines.
 - Sweezing and Chasing Calender Machines.
 - Schreiner Calender.
 - Embossing Calenders.
 - Finishing Calenders.
 - Universal Calenders.
 - Felt Calenders.

APPENDIX 13—*contd.***(D) PACKING AND FOLDING MACHINERY**

Folding Machines.

Inspecting and Measuring Machines.

Stamping Machines.

Combined Coeasing, Lapping, Rolling & Measuring
Machines.

Ball Press.

(E) COTTON WASTE SPINNING**(i) *Opening and Cleaning Machinery***

Hard Waste Breaker Machines.

Premier Opener Machines.

Pickering Machines.

Rag Tearing Machines.

Tenter Hook Willow Machines.

Spiral Willow Machines

Waste Hopper Feeders and Scutchers.

(ii) *Carding and preparatory to spinning machinery*

Breaker carding Engine with or without Hopper.

Feeder Finisher Carding Engines either with Condensers
or Ring.

Doffers.

Derby Doublers.

Slubbing Frames.

Intermediate Frames.

(iii) *Spinning Machinery*

Mule Spinning Machines. (P)

Ring Spinning Machines. (P)

Condenser Spinning Machines. (P)

Chappon Frames. (P)

Box Frames. (P)

(F) KNITTING MACHINERY**(i) *Knitting Machines***

Circular Machines. (P)

Rib Top Machines. (P)

Linking Machines. (P)

Flat-Bed Machines. (P)

Tricot Knitting Machines. (P)

Warp Knitting Machines. (P)

Mosquito Net Manufacturing Machines. (P)

Fishing Net Making Machines. (P)

Raschel Knitting Looms.

APPENDIX 13—*concl'd.*(ii) *Stitching Machines*

Overlock Machines with Cutters.

Chain Stitching Machines.

Hem Stitching Machines.

Flat Lock Machines.

(iii) *Dressing Frames and Guillotine Cutters.*(iv) *Embroidery Machines.*

(G) TESTING ROOM MACHINES

Fibre, Silver, Yarn and Cloth Testing Machines and Apparatus for testing staple length convolutions, crimps, twists, counts, moisture content, tensile strength, bursting, wearing and tearing.

(H) HUMIDIFYING AND AIR CONDITIONING EQUIPMENT AND APPARATUS.

(I) MATERIAL HANDLING AND CARRYING EQUIPMENTS.

(J) PNEUMATIC UNDER CLEARER ATTACHMENTS.

(K) AUTOMATIC FEED LUBRICATION SYSTEMS.

(L) POWER PLANTS

(i) Steam Engines, Turbines & Turboalternators.

(ii) Steam Boilers, Economisers, Superheaters, Feed Pumps, Mechanical Stokers, Pulverisers and Fuel Burring equipments.

APPENDIX 14

(*Vide* para. 95 of Chapter V)

LIST OF KEY INDUSTRIES

1. Pig Iron.
2. Alloy Steel.
3. Ferro-Chrome and other Ferro-Alloys except Ferro-Manganese and Ferro-Silicon.
4. Malleable Iron Castings.
5. Steel Castings.
6. Steel Forgings.
7. Structural (Heavy).
8. Industrial Machinery.
9. Cranes.
10. Machine Tools including Small Tools, Dies, Jigs and Fixtures.
11. Automobile Ancillaries.
12. Coated Abrasives.
13. Electric Winding Wires.
14. Fertilizers.
15. Sulphuric Acid.
16. Caustic Soda and Soda Ash.
17. Rubber Chemicals.
18. Petro. Chemicals including Synthetic Rubber.
19. Pesticides.
20. Paper & Paper Board.
21. Cement.
22. Pulp (Cellulosic.)

APPENDIX 15

(Vide Chapter XI)

Open General Licence No. IV

GOVERNMENT OF INDIA, MINISTRY OF COMMERCE AND INDUSTRY, IMPORT
TRADE CONTROL ORDER No. 2/61, DATED THE 28TH FEBRUARY, 1961
AS AMENDED REGARDING OPEN GENERAL LICENCE No. IV.

The following Open General Licence issued by the Central Government under the Imports and Exports (Control) Act, 1947 (XVIII of 1947) in supersession of Open General Licence No. IV published with the Ministry of Commerce and Industry Import Trade Control Order No. 3/58, dated the 31st March, 1958, is published for general information:—

IMPORT TRADE CONTROL—OPEN GENERAL LICENCE NO. IV

In exercise of the powers conferred by Section 3 of the Imports and Exports (Control) Act, 1947 (XVIII of 1947), as in force in India and as applied to the State of Pondicherry, the Central Government hereby gives general permission for the importation from any country in the world except the Union of South Africa, until further notice, of the following:—

- (i) free gifts of books upto the value of Rs. 250 in favour of individuals or institutions;
- (ii) Blue prints and Drawings (including Micro-films which are photographic reductions thereof) relating to Machinery and Plant sites, works and buildings and which are supplied free of charge and are of no commercial value; and
- (iii) any goods included in Schedule I to the Import Control Order, 1955 and which:—
 - (a) are *bona fide* samples or advertising matter, supplied free of charge not exceeding Rs. 250 in c.i.f. value in one consignment, excepting vegetable seeds falling under S. No. 36 of Part IV of the Import Trade Control Schedule, or
 - (b) are supplied free of charge in replacement of goods previously imported which have been found to be defective or otherwise unfit for use:

Provided that:—

- (a) the *bona fide* samples or advertising matter thus imported shall not be sold by the importer,
- (b) the defect in the goods previously imported is noticed before the clearance of the goods from the Customs House and is brought to the notice of the Customs authorities and it is proved to the satisfaction of the Customs authorities that the goods so found defective or otherwise unfit for use, are actually returned to the manufacturer or consignor or are destroyed, or

APPENDIX 15—*contd.*

surrendered to or vested in Government for such action as they may deem fit, within three months from the date of clearance from the Customs House.

This licence is without prejudice to the application to any goods of any other prohibition or regulation affecting the import that may be in force at the time when such goods are imported.

—

APPENDIX 16

(Vide para. 177 of Chapter XI)

PASSENGERS (NON-TOURIST) BAGGAGE RULES

CUSTOMS NOTIFICATION No. 122, DATED 19-11-1960, PUBLISHED IN THE GAZETTE OF INDIA ON 19-11-1960 AS AMENDED BY CUSTOMS NOTIFICATION No. 21 OF 2-2-1963, AND PUBLISHED IN THE GAZETTE OF INDIA ON 2-2-1963).

CENTRAL BOARD OF REVENUES

NOTIFICATION CUSTOMS

In exercise of the powers conferred by section 75 of the Sea Customs Act, 1878 (8 of 1878), as in force in India and as applied to the State of Pondicherry, the Central Board of Revenue hereby makes the following rules for passing free of import duty baggage landed at Customs Sea-ports by passengers from foreign ports, other than those in Ceylon or Pakistan, namely:—

- (1) These rules may be called the Passengers (Non-Tourist) Baggage Rules, 1960.
- (2) They shall come into force on the 1st January, 1961.
- (3) They shall not apply to those passengers to whom the Tourist Baggage Rules, 1958, apply.

2. The *Bonafide* baggage of a passenger may be exempted from Customs duty upto the extent specified in these rules where such baggage accompanies the passenger, does not form part of the cargo, is not included in the manifest and, unless the proper officer of Customs in any case otherwise directs, is declared in the proper form.

3. In the case of a husband and wife travelling together, separate allowances upto the extent specified in these rules may be admitted.

4. (1) The used personal wearing apparel of a passenger, and other articles in the immediate personal use of the passenger, may be, allowed free of duty, provided that they are his property, were in his possession abroad, and are imported by him for his own personal use and not for sale, exchange or gift.

Explanation.—"Articles in the immediate personal use of the passenger" means articles which are worn by the person, such as spectacles, hearing aides, and dentures, but shall not include wrist watches and jewellery.

APPENDIX 16 (contd.)

(2) Such instruments, apparatus or appliances, as are specially designed for use in the profession or calling followed by a passenger and which any person following the same profession or calling would usually carry with him in his professional tour when imported by the passenger as part of his *bona-fide* baggage may be allowed to be imported free of import duty leviable thereon:—

Provided that the instruments, apparatus or appliances:—

- (i) have been actually used by the passenger before the importation thereof; and
- (ii) shall not be sold, exchanged or given away as gift after the importation thereof.

5. In addition to the article specified in Rule 4, a passenger may also be allowed to import free of duty, at the discretion of the proper Customs Officer, articles not exceeding Rs. 500/- in the value, provided that the articles are not imported for sale or exchange and are such as could reasonably be treated as baggage or are of a kind normally used for making gifts or as souvenirs. In the case of a passenger who is coming or returning to India after a stay of not less than 3 months abroad, the value of the articles which can be passed under this rule may be increased by Rs. 100/- for each complete month in excess of 3 months, subject to a maximum of Rs. 1000/- in all. A passenger shall not be permitted under this rule to import without payment of duty a large number of units of the same article, even though their total value may be within the free allowance or to import any individual articles of a value exceeding Rs. 75/-.

The full free allowance under this rule is not admissible to children or to passenger under 18 years of age. The proper Customs Officer may, however, in his discretion, allow to such a child or passenger articles not exceeding one-fourth of that admissible to an adult passenger coming after the same period abroad.

6. Jewellery in the actual use of a passenger may be allowed free of duty, subject to the following conditions:—

- (a) The jewellery is the property of the passenger, was in his possession and use abroad, is imported by him for his own personal use and not for sale, exchange or gift, and will be re-exported with the passenger if he is a temporary visitor to India;
- (b) The passenger is coming to India after being abroad for at least one year;
- (c) The value of the jewellery does not exceed Rs. 2000/-.

Provided that the proper Customs Officer may, where he is satisfied by reason of the Status of a Passenger, allow *bona-fide* jewellery in use exceeding Rs. 2,000/- in value to a passenger who is a temporary visitor to India, on taking such steps as he considers necessary to ensure that the jewellery will be re-exported with the passenger:

APPENDIX 16 (contd.)

Provided further that the proper Customs Officer may allow free of duty any *bona-fide* personal jewellery in use, on being satisfied that it was taken out of India by a passenger not more than 3 years previously, and that the jewellery, was and continues to be the property of the said passenger.

NOTE 1.—For the purposes of this rule, the term jewellery shall include not more than one watch, which should be in actual use.

NOTE 2.—The value limits specified in this and the preceding Rule have reference to the real value of the goods under the Sea Customs Act, 1878.

7. (1) Notwithstanding anything contained in Rule 2, *bona-fide* baggage of a passenger landed at any Customs port within two months before or after his arrival in India may be passed, at the discretion of the Customs Collector, subject to the conditions and limits laid down in rules 4 to 6.

(2) The period of two months referred to in sub-rule (1) may be extended by the Customs Collector upto a period of 4 months and by the Central Board of Revenue beyond a period of 4 months, if the Customs Collector or the Board, as the case may be, is satisfied that the failure to import the baggage within the time limit was due to circumstances beyond the passenger's control and that the goods were the property of, and in the possession of the passenger abroad before he left for India.

8. (1) Notwithstanding anything to the contrary in these rules, *bona-fide* baggage shall include.

(a) the personal effects of a passenger or a seaman who dies on the way to India, and

(b) articles imported by a passenger and proved to the satisfaction of the Customs Collector to have belonged to his or her deceased spouse or other deceased member of the family.

Provided that the effects or articles are such as would have been passed free if the deceased person had been a passenger and they had accompanied that person:—

Provided further that the importation takes place within two months of the death of the owner.

(2) The period of two months referred to in sub-rule (1) may be extended by the Customs Collector upto a period of four months and by the Central Board of Revenue beyond a period of four months, if the Customs Collector or the Board, as the case may be, is satisfied that the failure to import the baggage within the time limit was due to the circumstances beyond the control of the importer.

9. The Baggage Rules published with the Notification of the Central Board of Revenue No. 296-Customs, dated the 3rd December, 1957, are hereby repealed.

No. 122/F.No.5/1/60-Cus.VI.

No. 21/F.No.5/54/61-Cus.VI.

APPENDIX 16 (*contd.*)

GOVERNMENT OF INDIA

MINISTRY OF COMMERCE AND INDUSTRY

IMPORT TRADE CONTROL

PUBLIC NOTICE NO. 1-ITC(PN)/61

New Delhi, the 2nd January, 1961.

(as amended.)

Subject:—Import of goods as personal baggage under the Baggage Rules.

Attention is invited to the Central Board of Revenue Notification No. 122 dated the 19th November, 1960 in which the baggage rules for import of goods by passengers from foreign ports other than those in Portuguese Possessions in India or in Ceylon or Pakistan have been announced.

2. Under Rule 5 of the said Baggage Rules, a passenger may be allowed to import free of duty at the discretion of the Customs Collector, such articles as could reasonably be treated as baggage or are of a kind normally used for making gifts or as souvenirs, upto a value depending upon his stay abroad subject to a maximum of Rs. 1,000/- in all. The said Rule 5 further lays down that the passenger shall not be permitted under the rule to import without payment of duty a large number of the same type of article even though their total value may be within the free allowance or to import any individual article of a value exceeding Rs. 75/-. Individual articles of *bona fide* baggage whose value may exceed Rs. 75/- will also be allowed clearance without an import licence subject to payment of customs duties provided they fall within the monetary limits applicable in the case of the passenger concerned.

3. It has now been decided that passengers who stay out of India continuously for 9 months or more may be allowed to import goods upto an *additional* value of Rs. 500/- provided those articles are *bona fide* baggage and of the type mentioned in Rule 5 of the said Baggage Rules without an import licence but on payment of customs duties.

4. The clearance of one dog, pet animals and birds in a limited number may be allowed without Import Trade Control restrictions on furnishing the following health certificates to the Customs authorities:—

- (i) A health certificate from a Veterinary Officer authorised to issue a valid certificate by the Government in the country of export to the effect that the dog imported is free from Aujosky's disease, Distemper, Rabies, Leishmaniasis and Leptospirosis and in the case of cats from Rabies and Distemper.

APPENDIX 16 (contd.)

(ii) In the case of import of dogs and cats originating from countries where Rabies infection is known to exist, a health certificate containing a record of vaccination, the vaccine used, brew of the vaccine and the name of the production laboratory and to the effect that the dog/cat was vaccinated against Rabies more than one month, but within 12 months prior to actual embarkation with nervous tissue vaccine or within 36 months prior to actual embarkation with chicken embryo vaccine, both vaccines having previously passed satisfactory potency tests.

(iii) In the case of parrots, a certificate to the effect that the parrots were subjected to a compliment fixation test for Psittacosis with negative results within 30 days prior to actual embarkation.

5. The certificates referred to above should be granted within 30 days prior to the date of embarkation of the dog etc.

6. Public Notice No. 83-ITC(PN)/58 of 15th October, 1958 is hereby cancelled.

Sd/- K. T. SATARAWALA,

Chief Controller of Imports & Exports.

Copy to all concerned.

By order etc

J. S. BAKHSI,

Deputy Chief Controller of Imports & Exports.

APPENDIX 16 (contd.)

NOTICE RELATING TO PASSENGERS (NON-TOURIST)
BAGGAGE RULES, 1960

This Notice explains the Baggage Rules which will apply to passengers coming or returning to India from 1st January, 1961. Tourists (that is, persons who ordinarily live abroad, and are coming to India for a short stay for pleasure etc.) will be governed by a different set of rules.

2. Under these Rules, a special provision has been made for a few new articles which may be brought as gifts for other persons or as souvenirs (see para 5 below). Excepting for such articles, the exemptions under the rules are admissible only for genuine personal effects of the passenger, which must have been in his use and possession abroad. No exemption can be given for any articles which are intended to be sold or exchanged.

3. The personal clothing which is in the actual use of a passenger will be passed free of duty. Similarly, articles like spectacles, hearing aids and artificial teeth, which are habitually worn by persons who are in need of them, will be passed free of duty. For these articles no value limit has been laid down. (This provision will not apply to watches and jewellery for which there is a value limit).

4. Jewellery of a value upto Rs. 2,000, can be passed free subject to the following important conditions:—

- (i) The jewellery must be in the actual use of the passenger. The purchase receipts for the jewellery, where available, should preferably be brought by the passenger.
- (ii) The passenger must have been out of India for at least one year.
- (iii) No exemption is allowed for jewellery brought for sale, exchange or gift. If the passenger is due to return out of India, he must take all the jewellery back with him.
- (iv) No Reserve Bank permit is required for the jewellery brought and passed under the Baggage Rules. However, where jewellery in excess of Rs. 2,000 is to be taken out of India, a permit from the Reserve Bank will be required. A temporary visitor is not required to take a Reserve Bank permit for the jewellery brought by him or for its subsequent re-export out of India.
- (v) Crude jewellery made mainly or wholly of gold will not be passed as baggage but will be treated as gold bullion, the import of which is not allowed without a special permit from the Reserve Bank of India.

APPENDIX 16 (contd.)

N.B.—(a) A passenger returning to India after less than one year abroad, can bring back free of duty any jewellery belonging to him which he had taken out of India. In order that passengers may not find it difficult to satisfy the Customs Officers in such cases, they should invariably obtain export certificates for the jewellery at the time of leaving India, unless the jewellery is of small value, i.e. less than Rs. 1,000 in the case of ladies and Rs. 500/- in the case of men.

(b) One wrist watch, in the actual use of the passenger will be treated as jewellery and will be included in the value limits indicated above.

5. In addition, a passenger can also be allowed free of duty other articles to a limit of Rs. 500 in value. Such articles should not be imported for sale or exchange, but should be in the nature of baggage or gifts or souvenirs. This concession will be allowed only at the discretion of the Customs authorities, and will be refused if from the nature or quantity of the articles brought it appears that these conditions are not fulfilled. No article of a value of more than Rs. 75 will be allowed free of duty under this rule. However, even such articles may be passed without a licence if brought within the prescribed value limit (see para 8). A passenger cannot import a large number of articles of the same type, though their total value may be below Rs. 75.

N.B.—(i) Where a passenger is coming or returning to India after at least three months' stay abroad, the value of Rs. 500 mentioned above may be increased according to the scale shown below:—

Less than 4 months	..	..	..	Rs. 500
4 months or more but less than 5 months	..	..	Rs. 600	
5 months or more but less than 6 months	..	..	Rs. 700	
6 months or more but less than 7 months	..	..	Rs. 800	
7 months or more but less than 8 months	..	..	Rs. 900	
8 months or more	..	..	..	Rs. 1,000

(ii) In the case of a passenger who makes frequent trips abroad, the full allowance under Rule 5 will not be given on each occasion as a matter of course. The customs authorities may if they consider it necessary, reduce or deny the allowances under this rule.

Articles like refrigerators, airconditioners, motor-cycles, scooters, typewriters, radiograms or record players, whether new or used, which fall within the prescribed value limit will be passed without a licence. Duty will, however, be charged if the value of an individual article exceeds Rs. 75.

6. The values mentioned in paragraphs 4 and 5 above are the "real values" under the Sea Customs Act and not the market values in India. The real value will ordinarily be approximately equal to

APPENDIX 16 (contd.)

the retail price of the article abroad, provided it is the proper price and not a specially reduced one.

7. The allowances mentioned in paragraph 5 above will not automatically apply to children or to any passenger who is less than 18 years of age. Customs officers may, however, allow to such a child or juvenile passenger articles of the kind described in that paragraph, upto a maximum value of one fourth of the limit which applies to an adult passenger coming after the same period abroad. The other conditions laid down in paragraph 5 will continue to apply.

8. Articles which are free of duty as baggage do not require an import licence. Articles of the nature described in paragraph 5 above, which are charged to duty only because their value is more than Rs. 75. will also be exempted from import licence, provided the total value of all such articles, including those which are passed free of duty, does not exceed the prescribed value limit. In addition, passengers who have stayed out of India for 9 months or more, may be allowed to import on payment of duty, but without an import licence, articles of *bona fide* baggage upto an additional value of Rs. 500. Where the Customs authorities decide that the articles are not *bona fide* baggage or where the goods are in excess of the value limits, an import licence will be necessary. Import licences are not ordinarily issued in such cases, and therefore, passengers bringing such goods will render themselves liable to appropriate action for breach of the regulations.

9. Under the foreign Exchange Regulations, a passenger can bring into India Rs. 75 in Indian currency (Rs. 100 from Burma). Foreign currency may be brought in without limit, but the passenger should make out a written declaration in a form which will be furnished by the Customs authorities. Since it is not possible to give in this notice full details of the rules applicable to the importation of currency passengers are requested to inform themselves in advance, by a reference to the Reserve Bank authorities, travel Agents, Tourist Officers or Indian Missions abroad, of the particular regulations applicable in their case.

Special Advice to Outgoing Passengers.

Passengers going out of India and taking costly articles belonging to them such as cameras, binoculars, or type-writers etc. should declare such articles before the Customs Officer and obtain an 'export certificate'. No customs duty will be charged on these articles if they are brought back within 3 years, and their ownership has remained unchanged.

Sd/- S. VENKATESAN,

Secretary,

Central Board of Revenue.

APPENDIX 16 (*contd.*)

TOURIST BAGGAGE RULES

[CUSTOMS NOTIFICATION NO. 225, DATED THE 3RD AUGUST 1958 PUBLISHED IN PART II, SECTION 3(ii) OF THE GAZETTE OF INDIA (EXTRAORDINARY), DATED THE 3RD AUGUST, 1958, AS AMENDED BY CUSTOMS NOTIFICATION NO. 22 OF 2ND FEBRUARY 1963, AND PUBLISHED IN THE GAZETTE OF INDIA ON 2ND FEBRUARY, 1963]

CENTRAL BOARD OF REVENUE

In exercise of the powers conferred by section 75 of the Sea Customs Act, 1878 (8 of 1878) as in force in India, the Central Board of Revenue hereby makes the following rules for passing free of import duty baggage landed at Customs Sea Ports by tourists from foreign ports, namely:—

1. *Short title, commencement and application.*—(1) These rules may be called the Tourist Baggage Rules, 1958.

(2) They shall come into force on the 3rd August, 1958.

(3) These rules shall not apply to persons coming from Pakistan.

2. *Interpretation.*—For the purpose of these rules, the term 'tourist' means any person not normally resident in India, who enters India for a stay of not less than twenty-four hours and not more than six months in the course of any twelve months period, for legitimate non-immigrant purposes, such as touring, recreation, sports, health, family reasons, study, religious pilgrimages or business.

3. *Exemption from Customs Duty for personal effects imported temporarily.*—(1) Subject to the other conditions laid down in these rules, the personal effect imported by a tourist shall be allowed to be imported temporarily free of import duty, provided that they are for the personal use of the tourist, are carried on the person of or in the luggage accompanying the tourist, that there is no reason to fear abuse, and that these personal effects are re-exported by the tourist on his leaving India for a foreign destination.

Explanation.—The term "personal effects" means all clothing and other articles new or used which a tourist may personally and reasonably require, taking into account all the circumstances of his visit, but excluding all merchandise imported for commercial purposes, and includes—

- (i) Personal jewellery;
- (ii) one camera with twelve plates or five rolles of film;
- (iii) one miniature cinematograph Camera with two reels of film;
- (iv) one pair of binoculars;

APPENDIX 16 (*contd.*)

- (v) one portable musical instrument;
- (vi) one portable gramophone with ten records;
- (vii) one portable sound-recording apparatus;
- (viii) one portable wireless receiving set;
- (ix) one portable typewriter;
- (x) one perambulator;
- (xi) one tent and other camping equipment;
- (xii) sports equipment such as one fishing out-fit, one sporting firearm with fifty cartridges, one non-powered bicycle, one canoe or kayak less than 5½ meters long, one pair of skis, two tennis rackets.

(2) Subject to all the conditions specified in sub-rule (1), such instruments, apparatus or appliances, as are specially designed for use in the profession or calling followed by the tourist and which any person following the same profession or calling would usually carry with him in his professional tour, may be allowed to be imported temporarily free of import duty leviable thereon.

NOTE.—The instruments, apparatus or appliances must have been actually used by the tourist before the importation thereof.

(3) Subject to the other conditions laid down in these rules, a tourist shall be allowed to import free of customs duty the following articles for his personal use, provided that these articles are carried on the person of or in the hand luggage accompanying the tourist, and there is no reason to fear abuse:—

- (i) cigarettes 200, cigars 50, Tobacco 250 grammes;
- (ii) one regular size bottle of wine and one quarter litre of spirits;
- (iii) one-quarter litre of toilet water, a small quantity of perfume, and medicines in reasonable quantities.

4. *Exemption from Customs Duty for travel souvenirs imported temporarily.*—In addition to the articles specified in rule 3, a tourist may also be allowed to import temporarily free of customs duty travel souvenirs for a total value not exceeding Rs. 250/- provided that such souvenirs are carried on the person of or in the luggage accompanying the tourist, they are not intended for commercial purposes, and they are re-exported by the tourist on his leaving India for a foreign destination.

5. *Undertaking to be given to Customs Authorities in certain cases.*—(1) Notwithstanding the provisions of rules 3 and 4, no article of a high value such as sound-recording apparatus, wireless receiving sets, and the like shall be passed free of customs duty unless the tourist gives an undertaking in writing to the Customs Collector to re-export it out of India on his leaving India for a foreign destination or, on his failure to so re-export to pay up the Customs duty leviable thereon.

APPENDIX 16 (concl'd.)

(2) Every tourist shall be given on arrival and after the examination of his baggage, a list of articles of high value brought by him signed by the Customs Officer who examines his baggage. If no such article of high value is imported, a nil list, similarly signed shall be given. Unless the list is produced by the tourist to the Customs Officer at the time of examination of his baggage on his departure from India for a foreign destination along with the articles, if any listed therein, his baggage may not be allowed clearance through the Customs for export.

6. *Provision regarding unaccompanied baggage.*—Notwithstanding anything to the contrary in the foregoing rules, *bona fide* baggage and goods eligible for the concessions under the foregoing provisions and landed at any Customs port within two months before or after the arrival of the tourist in India, may be passed subject to the condition applicable to baggage accompanying a tourist, provided the Customs Collector is satisfied that they could not be brought along with the tourist due to reasons entirely beyond his control.

7. *Refusal of exemption in certain case.*—Notwithstanding anything contained in these rules, the Customs Collector may refuse to a tourist exemptions granted by these rules in any of the following cases namely:—

- (a) When the total quantity of a commodity imported by a tourist exceeds substantially the limit laid down in these rules;
- (b) where the tourist enters more than once a month;
- (c) where the tourist is under 17 years of age.

8. The Tourist Baggage Rules, 1957, and the rules published with the Central Board of Revenue Notification No. 31-Customs, dated the 30th August, 1930, as amended from time to time (for passing free of import duty baggage landed at Customs ports by passengers from foreign ports in Ceylon) in so far as these latter rules relate to matters covered by these rules, are hereby repealed except as respects things done or omitted to be done.

Sd./- M. A. RANGASWAMY,
Secretary, Central Board of Revenue.

No. 225/9/8/57-Cus.VI.

APPENDIX 17

(Vide para 192 of Chapter XIII)

(A)

Form of Bond for Clearance of Restricted Goods.

Know all men by these presents that whereas the Collector of Customs hereinafter referred to as the 'said Collector' which expression shall include the person for the time being performing the duties of the Collector of Customs, has permitted the clearance of the goods in the schedule hereunder written, We (1) importers (2) (Surety) do hereby bind ourselves and each of us and each of our heirs, executors, administrators and legal representatives, jointly and severally with the President of India to pay to the said Collector for the time being the sum of Rs., subject to the conditions written herein below:—

Now the conditions of the above written bond are such that if the said (1) (importers) their heirs and representatives shall deliver or cause to be delivered to the said Collector within one month from the date here of the import licence referred to in the Schedule to cover the goods referred to in the schedule or if the said (importers) their heirs or representatives or any of them shall in lieu of the delivery of such licence upon demand by the said Collector pay or cause to be paid to him on behalf of the President of India the sum of Rs., then the above written bond shall be void and of no effect, otherwise the bond will be and remain in full force and virtue, and it is hereby declared that:—

- (a) Any forbearance on the part of the President or any other officer shall not in any way release the said surety, his heirs and representatives from his or their liability under the above written bond; and
- (b) that this bond is entered into under the orders of the Central Government for the performance of the act in which the public are interested;

Schedule of goods cleared

B/E. No. & date	Description of goods	Quan- tity	Country of origin	Port of shipment	Value of goods	Importers name	Licence No. dt.
(1)	(Importers)			(2)	(Surety)		

Signed, sealed and delivered by the above named in the presence of:
Witness..... }

Accepted for and on behalf of
the President of India:

Assistant Collector of Customs.

(B)

APPENDIX 17—*concl'd.**Form of Letter of Guarantee*

In consideration of the Collector of Customs allowing us..... (importers) to clear the undermentioned goods without production of the original import licence mentioned below, we hereby undertake to produce within one month from this date the said original licence already granted to us by Government to cover *inter alia* the undermentioned goods imported by us being licence No. date..... which has been sent by us to the Chief Controller of Imports, New Delhi or Collector of Customs, Bombay, Calcutta, for..... Revalidation clearance of other goods covered by the said licence.

Bill of entry No. & dt.	Descrip- tion of goods	Supplier's name	Quantity	Country of origin	Port of Shipment & date	Value of goods
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In the event of our failure to produce the original licence within the period specified above or within such extended time as the Collector of Customs may in his absolute discretion allow (and in this respect time shall be the essence of arrangement) We, (importers) hereby agree to pay to the President of India the sum of Rs..... whenever called upon to do so together with such penalty as may be imposed on us by the Customs authorities in respect of the above mentioned goods. And We..... (surety) guarantee to the President of India due payment of the said sum of Rs..... and the said penalty so to be imposed as aforesaid. And is agreed and declared that:

- (a) Any forbearance or indulgence to the importer on the part of the President of India or any officer of Government shall not in any way release the said..... (Surety) their heirs, or successors or legal representatives from their liability under this agreement; and
- (b) This agreement is entered into under the order of the Central Government for the performance of an act in which the Public are interested.

Dated

Signature of Importer.....

Signature of Surety.....

Accepted for and on behalf of the President of India.

Assistant Collector of Customs.

APPENDIX 18

(Vide para 202 of Chapter XIV)

Copy of Ministry of Commerce Public Notice No. 60-ITC

(PN)/50 dt. 21-7-1950

Subject:—Clearance of merchandise financed by Exchange Banks in India in the event of licence holders not having honoured the bills drawn under confirmed letters of credit.

It has been represented by certain Bank Associations that in the event of a negotiation under a confirmed irrevocable letter of credit being dishonoured by the drawee the bank has to implement its undertaking under the credit to remit the foreign exchange in payment, but in the absence of a valid import licence made out in its own name, it is unable to clear the goods from the Customs.

2. In order to avoid this difficulty it has been decided that all licences will hereafter be issued subject to the following condition which will be endorsed on the licence:—

“It is a condition of this licence that where an irrevocable letter of credit is opened by the holder of the licence to finance the import of any goods covered thereby, then the authorised dealer in foreign exchange through whom the credit is opened shall be deemed to be a joint holder of this licence to the extent of the goods covered by the credit.”

3. The effect of this endorsement will be that where letters of credit have been opened against a valid import licence and, on arrival of the goods, the licence holder does not honour the bills drawn against the letter of credit and does not produce the licence for the clearance of the goods, the Bank which has opened the letter of credit will nevertheless be able to clear the goods through the customs and remit foreign exchange to the foreign suppliers in whose favour the credit was opened, by debit to the licence in question.

4. In this respect the following procedure will be observed with immediate effect:—

- (i) The Banks clearing the goods in such cases will provide the Customs with certificates to the effect that the import has been made and that foreign currency has been remitted by the Bank or its agents under the authority of a valid import licence and a confirmed irrevocable letter of credit.
- (ii) They will also produce the exchange control copy of the licence, or if this is not available, they will furnish full particulars of the licence and of the licensee.

APPENDIX 18—concl'd.

- (iii) At the time of clearance, the value of the goods will be debited to the licensee concerned in the licence Register maintained by the Custom House with an indication that clearance has been effected by the Bank. If and when the Customs copy of the import licence is produced subsequently by the original licensee, the fact that some of the goods falling under the licence have already been cleared will become immediately apparent and the Customs House will then endorse the necessary debit on the licence itself.
- (iv) To ensure that the Customs copy of the Import Licence is not utilised at some other port, intimation of such clearances by banks will be sent by the Customs to all other ports giving the balance for which the licence is valid.

APPENDIX 19

(Vide para 215 of Chapter XIV)

IMPORT/EXPORT ENQUIRY SLIP

Serial No.

1. Name, address and Telephone
No. of the applicant.
2. Date and number of:—
 (a) application,
 (b) acknowledgement, and
 (c) any subsequent communica-
 tion received and replied.
3. (a) Category of application
 (b) Brief description of goods
 (c) Part and Serial No. of I.T.C.
 Schedule.
 (d) C.I.F. value
 (e) Industry to which applica-
 tion pertains.
4. No. and date under which the
 application is forwarded/recom-
 mended by any other authority.
5. Whether any officer was inter-
 viewed for this case or position
 obtained? If so, when?
6. Information desired.

*Signature, residential address and
Status of representative.*

Passed to Section.....for noting below the position
and immediate return to the undersigned.

The party has been advised to collect information on.....at
.....A.M./P.M.

Enquiry Officer.

Remarks of the A.C./S.O. of the section on the position of the appli-
cation.....

.....

Asstt. Controller/Section Officer.

APPENDIX 19 (*concl'd.*)

COUNTERFOIL

<i>No.</i>	<i>Date</i>
1. Name and address of the applicant firm.
2. Description of goods.
3. Part & Serial number of the I.T.C. Schedule.
4. Date & time when information is likely to be available.

Enquiry Officer.

APPENDIX 20

(Vide para 216 of Chapter, XIV)

FORM 'A'

<i>Interview Slip</i>	<i>Serial No.</i>
1. Name and address of the applicant.	.....
2. Name of representative with designation and his connection with the firm.	.....
3. Officer to be interviewed	.....
4. Date of desired interview	.....
5. Number and date of:—	
(a) Application,	.....
(b) Acknowledgement, and	.....
(c) any subsequent communication received and replied.	.....
6. (a) Category of application	.....
(b) Brief description of goods	.....
(c) Part and Serial No. of I.T.C.	.....
(d) C.I.F. value.	.....
(e) Industry to which application pertains.	.....
7. No. and date under which the application is forwarded/recommended by any other authority.	.....
8. Brief resume of points for discussion (use reverse of form, if necessary).	.....
9. Whether any officer was interviewed for this case or position obtained? If so, when?	.....
Interview timings.....	.....
	<i>Signature and status of the representative</i>
	<i>Residential Address</i>

	<i>Telephone No.</i>
Remarks of the Enquiry Officer:	.....

APPENDIX 20 (concl'd.)

N.B.—Separate form should be used for each application.

COUNTERFOIL

S. No......

Date-stamp

1. Name of applicant.....
2. Name of the representative.....
3. Officer to be interviewed.....
4. Date and time of Interview.....

Signature of Enquiry Officer.

P. SABANAYAGAM,
Chief Controller of Imports and Exports

